AICPA® & CIMA®

Together as the Association of International Certified Professional Accountants

Integrated Report 2024

Contents

2 Guiding principles

4 Letter from leadership

9 Value creation model

14 Strategy and 2024 performance

44 Delivering on sustainability

45 Governance

48 Risks and opportunities

51 Key performance indicators

55 Financials

AICPA & CIMA
Together as the Association of International Certified Professional Accountants

AICPA CIMA CPA.com

Guiding principles

The Association of International Certified Professional Accountants

The Association of International Certified Professional Accountants (the Association) provides the world's most highly skilled accounting and finance professionals with the knowledge, insight, and foresight to meet the demands of a disruptive world. Our members and candidates form the largest and most influential global network of management and public accountants.

They are on the front lines of virtually all industry, firm, and financial issues.

Formed by members of the American Institute of CPAs® (AICPA®) and The Chartered Institute of Management Accountants® (CIMA®), the Association builds on a heritage of excellence with more than a century of experience.

Harnessing the strengths of AICPA® & CIMA®, the Association works to power trust, opportunity, and prosperity for people, businesses, and economies worldwide.

Members of AICPA and CIMA are also members of the global Association supporting CPA, CGMA®, and other designations that signal the completion of rigorous learning and testing, ongoing competency development, and ethical behavior.

aicpa-cima.com

CPA.com, our business and technology subsidiary, brings innovative solutions to the accounting profession, directly through development or in partnership with leading technology providers. The company is an established thought leader on emerging technologies and a trusted business adviser to practitioners in the U.S., with a growing global focus.

Our vision
To be the most influential body of professional accountants

Our mission
Driving a dynamic accounting profession worldwide

Our purpose
We power trust, opportunity, and prosperity

About this report

We are proud to present the 2024 Association Integrated Annual Report. This report is informed by the Integrated Reporting Framework from the International Integrated Reporting Council (IIRC), which now operates within the broader governance framework of the IFRS® Foundation. It leverages our proprietary CGMA Business Model Framework to explain how the Association has created value over the past year, how we have recognized the full range of factors that affect value creation for stakeholders, and what we have done to support integrated thinking and planning. This report outlines how each layer of our business is creating a future-ready profession and is working tirelessly to power trust, opportunity, and prosperity for those we serve — today, tomorrow, and beyond.

Audit and Finance Committee oversight

The Association's Audit and Finance Committee, composed of member volunteers, reviews the Integrated Report with management before submitting it for approval by the Association's Board of Directors. The committee has confirmed that it has collectively considered the preparation and presentation of this report and that, in its considered opinion, this report is presented in accordance with the IIRC Integrated Reporting Framework.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Simon Bittlestone, FCMA, CGMA

Carla McCall, CPA, CGMA

Mark Koziel, CPA, CGMA

Letter from leadership

2024 called on accounting and finance professionals to adapt to change and remain nimble.

Despite the world's polarization, geopolitical uncertainty, and economic volatility, our profession showed remarkable resilience.

Amid challenges, our members were undeterred in the work of building a brighter future. Your efforts provided clarity and stability, earning trust, creating opportunity, and driving prosperity. This resilience is a testament to the strength of our profession.

2024 was a year of transformation — serving our profession and the public interest while accelerating and leading toward a prosperous future.

The Association of International Certified Professional Accountants (the Association) is dedicated to you, the members, and to the profession. Through the combined power of AICPA and CIMA, we are proud to provide our community with the tools, resources, education, and voice to accelerate and lead the profession globally. Dedicated staff, generous volunteers, and engaged members combined to drive meaningful progress across a range of areas.

In 2024, our advocacy efforts on numerous issues — such as auditing, financial and business reporting, productivity, sustainability reporting, tax, CPA licensure, CGMA recognition, and STEM — influenced governments and regulators around the world, including in the United States, the United Kingdom, the European Union, and China.

In the areas of tax advocacy and tax practice services, we continued work on U.S. issues such as beneficial ownership information; IRS administrative and procedural improvements; simplified tax filing; immediate tax disaster relief in the wake of multiple natural disasters; and preparing for expiring provisions under the Tax Cuts and Jobs Act and other tax changes. We released modernized tax standards and resources to support CPAs during tax season and to help them reimagine their tax practice. Additionally, we continued to emphasize the importance of integrating tax and financial planning advisory services.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

With the cost of living and business affected by global inflationary pressures, we delivered recommendations to policymakers and legislators on the business of government, industrial policy, and support for small to medium-sized businesses.

As a profession, we recognize the importance of innovation in enhancing the quality, accuracy, and speed of services provided. We are committed to anticipating and advancing through innovation, because this is how we will continue to deliver value and stand out in a world of constant change.

Our Future of Finance 2.0 research explores what's ahead for the management accounting and finance profession. We have also continued to roll out new resources for CPA firms through the Transforming Your Business Model initiative.

We continued advancing the Enhancing Audit Quality (EAQ) initiative, taking a data-driven approach to identify key trends and develop relevant resources and guidance. Through EAQ, we helped practitioners remain equipped to deliver quality audits that meet the public interest.

We delivered practical guidance and tool kits in key areas such as AI, digital assets, transformative skills, belonging and inclusion, and sustainability.

As traditional compliance work is increasingly automated, it has been crucial for the Association to support accounting firms and CPAs expanding into advisory services such as client accounting, business valuation, forensic accounting, not-for-profit, personal financial planning, tax, and technology advisory. By offering tailored solutions to help them meet increasing client demand for specialized expertise and differentiate themselves in a competitive market through our membership sections, credentials and learning certificates, we're able to help them add significant value to their clients. Supporting firms in this transition is essential for maintaining the profession's relevance and driving future growth.

Through our global conferences, AICPA town halls, A&A Focus webcasts, and schools and events programs, we kept our community of accounting, finance, and business professionals updated and engaged on the latest trends, insights, and practices. Africa was added to the growing list of host locations for our flagship ENGAGE conference series. And with CPA.com, we continued to enhance our Town Hall webcast series, which reached a landmark of over 1 million participant engagements (live, on-demand, and podcast) since its inception in 2020.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Our commitment to developing the next generation of accounting and finance professionals remains unwavering. We are dedicated to providing the necessary resources and support to ensure the profession's bright future.

Recruiting future talent and providing skills training was a focal point in 2024 as we continued to drive recognition of the CGMA designation around the world, strengthening relationships and growing collaborations with universities, accounting bodies, and regulatory bodies worldwide. We also emphasized broadening the number of pathways into the profession and adapting them to different generations with different needs, expectations, and motivations.

The CGMA Finance Leadership Program, our fully digital pathway to completing the CGMA Professional Qualification and earning the CGMA designation, saw strong enrollments in the U.K. and Ireland. The registered apprenticeship programs in England, Wales, and the U.S., and the Digital Management Certificate in China continued to open new career opportunities for more young people. And we furthered our efforts to advance the recognition of CGMA designation holders in China, through city and government recognition.

Simultaneously, in January 2024, we launched the new CPA Exam — with a different format and an increased focus on data and technology concepts, as well as tax compliance and planning — to ensure candidates are well-prepared for the changing business environment. The new Exam encourages deepening skill sets, competencies, and knowledge of emerging technologies and their impact on tax, financial planning, accounting and auditing, and business reporting.

In the U.S., we engaged key stakeholders — including the National Association of State Boards of Accountancy (NASBA), state CPA societies, colleges, universities, and CPAs across the country — to navigate the talent challenge in the profession. That work included an exposure draft issued in the fall on an alternative pathway concept. Feedback on that draft helped inform the proposed Uniform Accountancy Act changes outlined in early 2025, which aim to increase flexibility for CPA candidates and address concerns about education costs. Additionally, we continued implementing the Pipeline Acceleration Plan. The National Pipeline Advisory Group (NPAG) and its final report further defined strategies to address the profession's talent shortage and improve the flow of students into accounting careers, including accounting students who go on to obtain a CPA license. This includes addressing the image of the profession, the educational experience, the time and cost of education, the CPA Exam journey, work culture and compensation, and inclusion and belonging.

Simultaneously, we updated the CGMA Professional Qualification, which will launch anew in May 2025. The curriculum redesign incorporates key competencies in sustainability and critical thinking, ensuring that the CGMA PQ aligns with evolving industry demands.

We live and work in a world where change is relentless. Helping our members and our profession keep pace remains at the heart of everything we do.

Along with CPA.com and Caseware, we continue to enhance the Dynamic Audit Solution (DAS), a transformative cloud-based audit solution designed to evolve the financial statement audit. Moreover, CPA.com's Digital CPA Conference, Technology Symposium series, and Executive Roundtables brought together thought leaders in emerging areas affecting finance and accounting, such as sustainability, blockchain, and AI.

To champion the profession's role within the sustainability ecosystem, we created a wide range of resources, covering areas such as strategy and risk management, environmental and social impacts, and sustainability reporting and assurance. The online executive education program ESG and Sustainable Financial Strategy Course, developed by AICPA & CIMA and the University of Oxford Saïd Business School, has generated strong satisfaction ratings from participants. We continued our support of the IFRS Sustainability Symposium and hosted our now-annual CPA.com ESG Symposium, bringing together various stakeholders, including accounting firms, businesses, and investors.

At the Association, we continued our own business transformation journey, investing for the future benefit of our members, candidates, and the organizations they work for. Bringing to life the value of membership, we have listened to your feedback.

We are working on enhancing your experience by showcasing the value of your membership, tailored to your professional career stage. And we are working to create a greater sense of community among members with similar needs and interests. Your continued trust has meant a lot to us during this time.

Together, we are serving the profession.

We have so much to be proud of in serving our members, candidates, and profession in 2024. It is a privilege to provide our community of members, candidates, and registrants with the tools, resources, and voice to transform the accounting and finance profession.

In 2025, we will continue to:

- Make our profession more attractive to younger generations.
- Raise standards through upskilling and reskilling of CPAs and CGMA designation holders.
- Be the voice of the profession with governments, policymakers, and regulators.
- Help accounting and finance professionals embrace technology, including artificial intelligence.
- Build a profession that is inclusive and reflective of the global communities we serve.
- Serve the public interest.

To remain successful, both as the Association and as a profession, we know that we must accelerate and lead into the future. This year, we will keep striving to serve you better. It is a momentous time for our profession, and global events will drive further demand for our services and the value we create.

We have a lot to look forward to. And we are here to serve and support you as we accelerate and lead into the future.

Simon Bittlestone,
FCMA, CGMA
Chair of the Association
President, The Chartered Institute of Management Accountants

Carla McCall,
CPA, CGMA
Co-Chair of the Association
Chair, American Institute of CPAs

Mark Koziel,
CPA, CGMA
CEO of the Association

Leadership transition

For the Association, 2024 was a year of leadership transition. After almost 30 years as CEO (seven years as CEO of the Association), Barry Melancon, CPA, CGMA, announced his retirement in May 2024 and officially ended his tenure on December 31, 2024.

Following an extensive global search, the Association's Board of Directors appointed Mark Koziel, CPA, CGMA, as the organization's CEO. A dynamic, values-led leader with extensive experience and knowledge of the profession, Mark is committed to building on the Association's strong foundation.

Mark joins us from Allinial Global, an association of independent accounting and advisory firms with 268 member firms in 109 countries, where he served as president and CEO. In 2025, Mark will be actively engaging with members, candidates, and stakeholders to listen, learn, and promote our great profession. You can expect to hear and see much more of him as he settles into his role and begins connecting with our global community.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

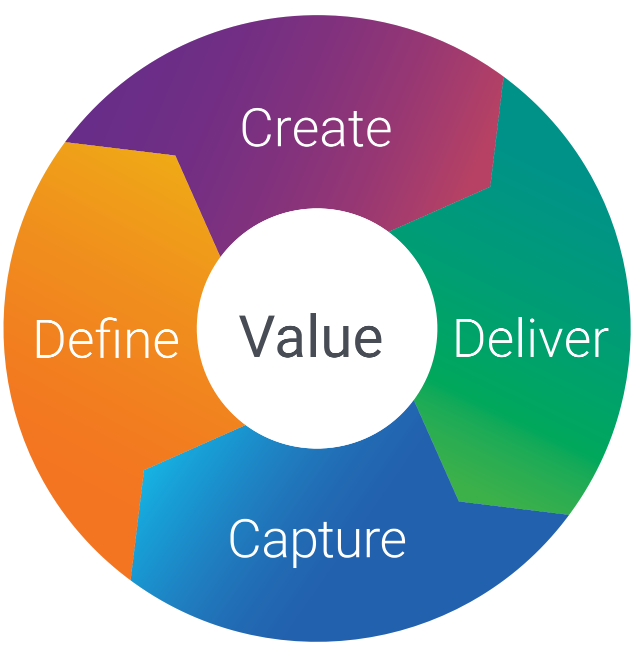
Value creation model

We support the profession and our members as they affect nearly every part of society and the global economy. Through their expertise, reliability, and ethical commitment, our members help advance the following:

- Trust in financial and nonfinancial information for business owners, investors, lenders, private equity, the public, and other stakeholders.
- Economic recovery, growth, job creation and protection, driven by strategic business decisions.
- Stewardship of resources supported by sustainable business practices.
- Effective systems of taxation built on tax compliance.
- Financial well-being of individuals, families, and communities.
- Economic opportunity and meaningful work for individuals who join the profession.

CGMA Business Model Framework

The Association applies its CGMA Business Model Framework to demonstrate how we create and preserve value over time. At a high level, the framework comprises four conceptual elements — define, create, deliver, and capture — that we use to focus on how value is:



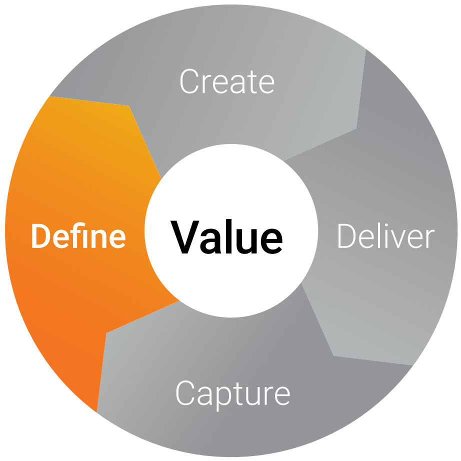
Defined
by members and other stakeholders

Created
by harnessing key resources and relationships

Delivered
to ever more demanding and sophisticated individuals

Captured
for reinvestment and distribution to members, stakeholders, and wider society

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials



Define

For whom and with whom do we create value?

We create value for multiple stakeholders.

- Trust in the global capital markets
- Power the success of business
- Promote inclusion within the profession

- Shape future of accounting and finance
- Standards, quality, and ethics
- Local and global advocacy

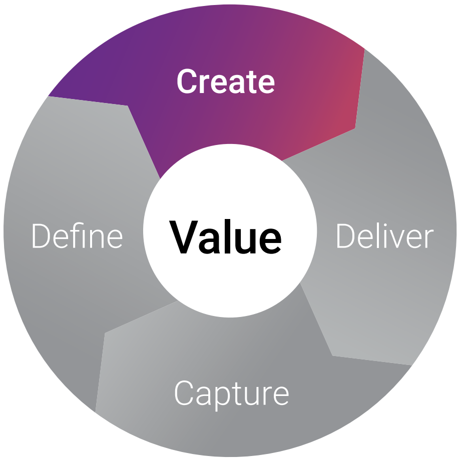
- Prepare for the digital future
- Consistency in talent and skills
- Learning, tools, and workflow

- Lifelong development opportunities
- Relevant and immediately applicable learning, knowledge, and insights

- Tools, guidance, and thought leadership
- Competencies and relevancy
- Recognition, status, and career mobility

- Employability and career opportunities
- Access to a global network
- Globally recognized qualifications

- Exciting and meaningful work
- Create lasting impact in the profession
- Growth and advancement

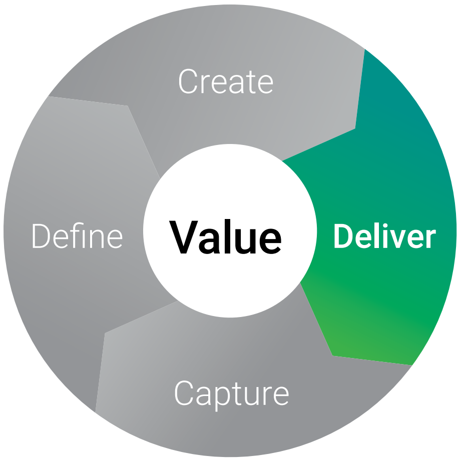


Create

How do we create the products, services, and experiences that meet stakeholder needs?

We create value by:

- Engaging with firms, businesses, and members worldwide to understand the big and emerging challenges of the day.
- Gathering the collective wisdom, data, and insights of subject matter experts, academics, and market research to develop solutions and learn to address those challenges.
- Advocating to protect the public by ensuring the profession remains highly skilled, relevant, and ethical.
- Leveraging partners and internal staff to develop resources that educate and inform, helping our members and candidates in the areas needed most.
- Working with member experts to develop thought leadership, standards, and guidance to help the profession stay up to date on regulations and legislation.
- Developing and evolving the Uniform CPA Examination, along with Prometric and the National Association of State Boards of Accountancy, and creating and updating the CGMA Professional Qualification and CGMA Exam and Syllabus.
- Monitoring the external environment and updating our content, resources, and qualifications as needed.

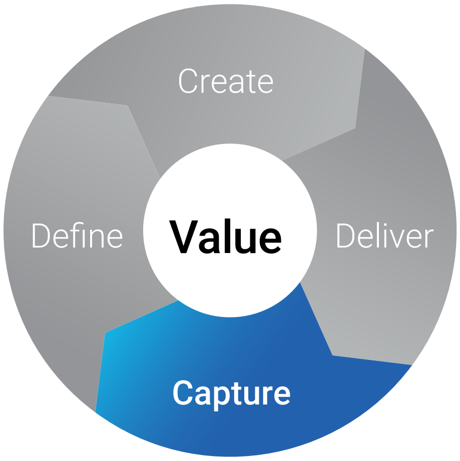


Deliver

How do we match and deliver our products and services to the right people at the right price, time, and place?

We deliver value effectively and efficiently by:

- Using a variety of channels, including our key publications and platforms (*FM* magazine, the *Journal of Accountancy* and *The Tax Adviser*), websites, email newsletters, social media, podcasts, town halls, and more.
- Offering an array of in-person and digital learning options in the form of videos, articles, conferences, web events, certificate programs, specialized credentials, and more.
- Optimizing our cost base by using digital formats wherever possible and limiting print and in-person formats to specific member and consumer needs.
- Developing and marketing solutions directly to individuals, firms and employers, and universities.
- Transforming our business model to reduce costs and improve service.



Capture

How do we share the benefits of value creation to incentivize our partners to continue creating value with us?

We capture value by:

- Operating as not-for-profit organization and professional membership body.
- Reinvesting to deliver the support, education, and advocacy our members and the profession need to be successful and relevant.

We are focused on leveraging captured value to fund our mission, vision, and purpose, and reinvesting in numerous facets of the profession. Considering the trends affecting the profession and our organization — including technological disruptions and younger generations' changing needs — our business model will evolve to create and deliver value in the new global marketplace. The implementation of our strategic initiatives, especially to transform our organization, is essential to keep us relevant in the future.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Strategy and 2024 performance

In 2024, our strategy focused on transforming the global accounting and finance profession, ensuring that it remains relevant and continues to deliver on its purpose of powering trust, opportunity, and prosperity for individuals, communities, organizations, and economies.

To achieve our mission, we identified five strategic goals:

- Serving the public interest
- Developing future professionals
- Helping individuals working in the profession to adapt and succeed
- Transforming firms and finance
- Developing our people, culture, and capabilities

These initiatives represent our efforts to achieve key strategic milestones.

U.S. tax advocacy

In the area of U.S. tax advocacy, the Association achieved significant legislative successes. The organization was perceived as a beneficial ownership information (BOI) thought leader by government, external stakeholders, and our members. The Financial Crimes Enforcement Network (FinCEN) ultimately in 2025 significantly narrowed the scope of BOI filing requirements to foreign entities only when it issued an interim final rule that removes the requirement for U.S. companies and U.S. persons to report beneficial ownership information under the Corporate Transparency Act (CTA), P.L. 116-283, passed by Congress in 2021.

Similarly, we became a resource on the employee retention credit (ERC) program and guided the IRS through fraud prevention, including being asked to present at the 2024 IRS Nationwide Tax Forums on this issue and to provide input into the Government Accountability Office's "GAO ERC Lessons Learned 2024" initiative.

Other notable results of our efforts in these areas include:

- The enactment of two disaster relief provisions and the inclusion in the House-passed bipartisan tax package of an extension of Section 174 research and experimentation expensing provision until 2026.
- Persuading the U.S. Treasury Department and the IRS to adopt 19 Association recommendations in their guidance and increase IRS online tools.

- Providing input to the government through 46 comment submissions and numerous discussions with Treasury and IRS officials on needed and proposed tax guidance, including 189 issues identified by the Association, as well as with congressional staffers on tax legislative proposals, including 16 legislative proposals endorsed by the Association.
- The inclusion in the 2023 IRS National Taxpayer Advocate annual report to Congress (issued 1/10/24) of five Association recommendations and four footnotes to Association letters on topics such as international information returns, taxpayer service, tax preparer regulation, the mailbox rule, and lookback period for disasters.

Federal advocacy

AICPA's federal advocacy efforts included meetings with members of the House Financial Services Committee and the Senate Banking Committee, discussing profession-related issues prior to a hearing with all five U.S. Securities and Exchange Commission members.

Collaboration with the House Financial Services Committee resulted in a letter to the SEC and PCAOB expressing concerns about aggressive rulemaking. AICPA's engagement with U.S. Congressional staff led to the withdrawal of PCAOB proposed rules on firm reporting and firm engagement metrics.

AICPA and state CPA societies nominated the accounting Classification of Instructional Program (CIP) code to be designated as STEM by the Department of Homeland Security. This designation supports bipartisan, bicameral legislation establishing accounting as a STEM career pathway, aimed at increasing the accounting workforce pipeline. We created STEM-related public landing pages, one-pagers, social media posts, and Hill letters for state CPA societies and AICPA membership. The STEM advocacy campaign included a tool kit for state societies to reach out to Congress and drive co-sponsorship.

AICPA published a white paper advocating for accounting as a STEM profession and developed a survey for university accounting education leaders, providing data on STEM content in accounting programs. This survey demonstrated that accounting includes as much, if not more, STEM content compared to other programs already considered STEM. Additionally, we compiled a list of patents and patent applications in the accounting sector, showcasing the extensive technological development in the accounting profession.

AICPA endorsed federal legislation allowing the use of Sec. 529 funds for expenses required to obtain or maintain recognized postsecondary credentials, including CPA Exam fees and review courses.

Some of the profession's suggested language was successfully included in the Validation and Evaluation for Trustworthy Artificial Intelligence Act, specifically language requiring an assurance professional on the Qualifications Recommendations Committee.

AICPA's input to the Senate Homeland Security and Government Affairs Committee staff on updating the Single Audit Act resulted in nearly all suggested changes being included in the final bill, which became law at the end of 2024.

U.S. state advocacy

In 2024, the AICPA collaborated with state CPA societies to address legislative and regulatory challenges impacting the profession. Efforts included opposing detrimental bills in several states related to CPA regulation and licensure, assisting the Nebraska Society of CPAs in defeating a proposed tax on services, and working with the Alliance for Responsible Professional Licensing to counter anti-licensing legislation in Louisiana.

The AICPA also advocated for amendments to ESG legislation in New York, Illinois, and California. Additionally, in collaboration with the Texas Department of Banking, the AICPA provided guidance on digital asset reporting and developed updated model Uniform Accountancy Act language to modernize CPA licensure and preserve mobility across states.

Advocacy in the U.K. and Europe

In the United Kingdom, significant progress was achieved through advocacy and collaboration during the year. Notably, an independent government report recommended recognizing accountancy as a STEM subject. This was subsequently confirmed in a letter to CIMA from the Minister of Education, underscoring the profession's pivotal role in driving innovation through our critical thinking, problem solving, communication, and data analytics skills.

AICPA & CIMA also hosted the Chairs' Forum, acting as a key convener for the chairs of some of the U.K.'s systemically important companies to address governance and fiscal challenges. Additionally, we conducted outreach to the Prime Minister, Cabinet members, and Members of Parliament, including detailed letters and briefings on critical policy matters, such as Level 7 apprenticeship funding.

Our global advocacy work continues to drive innovative, relevant, and timely thought leadership. Major reports during the year included *Delivering the Five Missions: Business Insights for a purposeful and integrated Government*, which we shared with senior government officials, including the Prime Minister and key members of the Cabinet. We hope the experiences of senior business leaders will shape and inform government thinking on the future approach to strategic delivery, reporting, and integration. We also continued to focus on developing our productivity thought leadership, launching a new paper in our series relating to *Productivity Lessons Learnt from the World – Trade and Investment*, which we shared prior to publication with the Secretary of State for Business and Trade, ahead of the U.K. Investment Summit.

Alongside our thought leadership on the policy needs of the small and medium-sized enterprises (SME) sector, and through our engagement with our membership, we also recorded a number of notable policy wins in the U.K. spring and autumn budgets, alongside implementation of some of our prior year recommendations, such as the extension of the apprenticeship levy scheme to support broader skills development.

In the European Union, our advocacy efforts remained focused on strengthening engagement with the European Commission, key Member States, and Members of the European Parliament. We continued our advocacy work in key EU Member States, including Poland, where we have a number of ongoing initiatives. These endeavors demonstrate the organization’s commitment to influencing policy and fostering cross-border collaboration within the region.

Expanding recognition of CGMA in China and North Asia and advocating on behalf of the profession

In our efforts to drive meaningful engagement and cultivate partnerships that support the professional growth of CGMA members, we achieved significant milestones this year in China and North Asia. We launched the Chinese edition of Global Management Accounting Principles 2.0 (GMAP 2.0) in partnership with the Shanghai Pudong Financial Work Bureau and the Shanghai Advanced Institute of Finance, equipping Chinese companies with global best practices in management accounting.

In partnership with the China International Talent Exchange Foundation (CITEF), we delivered three successful Digital Management Accounting (DMA) Programme exam sessions in 2024. After a successful launch phase, CITEF now aims to grow the program.

We released *Building a World-Class Financial Management System: A Development Report on Digital Management Accounting Integration*, co-developed with the Xiamen National Accounting Institute and ZTE New Cloud, outlining frameworks for digital transformation in finance, particularly for state-owned enterprises.

To reinforce CGMA’s leadership in professional finance education, we hosted global initiatives such as the CGMA Global Talent Summit and CEO Dialogue at NYU Shanghai.

A historic meeting was held between Shanghai Mayor Gong Zheng and Association CEO Barry Melancon. Meanwhile, we expanded government outreach through meetings with the Vice Mayor of the Shenzhen Municipal People’s Government and key ministry and municipal leaders, enhancing CGMA’s recognition as a driver of talent development.

Other achievements included:

- Building a strategic partnership network covering 600+ universities, corporations, government agencies, and training providers, enhancing CGMA's market influence.
- Strengthening corporate alliances and partnerships with more than 500 leading companies, including Philips, Coca-Cola, Lenovo, Shell, Medtronic, Tencent, Baidu, Ping An Property Insurance, ZTE New Cloud and state-owned enterprises such as CRRC, CGCC, and Sinopec, to advance professional development and innovation.

Our advocacy efforts included providing input for the Hong Kong Policy Address 2024 and budget submissions to ensure alignment with global business and accounting needs. Further efforts included:

- Contributing to the Hong Kong SAR Government's Policy Address and Budget consultations.
- Providing strategic recommendations to the Ministry of Finance on the Guiding Opinions of the Ministry of Finance on Comprehensively Deepening the Application of Management Accounting.
- Engaging with more than 20 regulatory bodies in China, including finance bureaus and the China Council for the Promotion of International Trade.

Additional efforts to raise the profile of CGMA in China/North Asia and expand the Digital Management Accounting (DMA) Programme included:

- Expanding outreach via B2B and B2C recruitment strategies, leveraging platforms like RedNote (Xiaohongshu) to increase CGMA and DMA awareness among young professionals.
- Seeing 11 provinces and cities in China officially list CGMA on their most needed top talent lists, enabling CGMA holders to access fast track city citizenship, financial incentives, talent allowances, housing benefits, and tax refunds.
- Shenzhen becoming the latest city to recognize CGMA, granting designation holders "Senior Engineer" status within its professional title system.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

The CGMA Beyond Scholarship Programme

- "A Star" Scholarship expanding its reach, supporting top university students across North Asia with an elite training program in management accounting, and the CGMA Beyond Scholarship Programme, launched in partnership with Tencent and Xi'an Jiaotong University, providing financial support and mentorship to underprivileged students in Northwest China. These programs have collectively affected over 500 families, reinforcing our commitment to social responsibility, education, and talent development.
- Collaborating with top universities — including Tsinghua University, The Chinese University of Hong Kong, NYU Shanghai, Shanghai Advanced Institute of Finance, and China Europe International Business School — to ensure that CGMA-aligned curriculums prepare students for modern finance roles.

Ethics and Code of Professional Conduct

The Professional Ethics Executive Committee (PEEC) plays a pivotal role in shaping the ethical framework within which CPAs operate. By discussing ethics interpretations and acknowledging the evolving needs of the public and the profession, PEEC ensures that AICPA standards remain robust and relevant.

As a senior committee of the AICPA, PEEC interprets and enforces the AICPA Code of Professional Conduct. The committee's process includes deliberating in meetings that are open to the public, issuing public exposure drafts of the proposed standards, and securing a formal vote.

In 2024, PEEC integrated two new interpretations of the Independence Rule into the Code of Professional Conduct and sought feedback on two additional interpretations.

A PEEC task force developed a discussion memo in 2024 (issued in March 2025) on potential revisions to independence guidance related to alternative practice structures, including necessary changes related to the increasing prevalence of private equity investment in accounting firms.

PEEC had a great deal of formal and informal input into the sustainability and use-of-experts projects of the International Ethics Standards Board for Accountants (IESBA). Both projects resulted in standards released in January 2025. PEEC raised public interest concerns regarding IESBA's plan to extend the IESBA code to sustainability assurance providers who are not professional accountants. As it does with other standards issued by IESBA, PEEC will evaluate these new standards and determine whether modifications to the AICPA Code of Professional Conduct are appropriate.

Ethics division staff answered 1,032 hotline calls and emails in 2024. Staff also investigated 456 ethics complaints last year. Of the ethics complaints received, 123 resulted in disciplinary action by the PEEC Enforcement Subcommittee.

CIMA Professional Standards Committee and ethics resources

As chartered management accountants, CIMA members (and registered students) throughout the world have a duty to observe the highest standards of conduct and integrity.

In 2024, CIMA's Professional Standards Committee approved a number of enhancements to CIMA's disciplinary processes following a yearlong review. The committee initiated a working group to review CIMA's continuing professional development (CPD) policy, and also approved a new system for members to record CPD.

To aid our members in their commitment to upholding the highest ethical and professional standards, we continue to provide a broad range of content and resources that promote ethical thinking while providing technical knowledge.

We released a podcast series titled *Beyond the Code* that explores nuanced discussions on topics of ethics and professional conduct. We published a range of content including quizzes on topics such as misleading reporting and the fundamental principles, as well as an interview with the 91st President of CIMA, Simon Bittlestone, FCMA, CGMA, who shared his views on the importance of ethics in accountancy and the wider financial profession. We launched an interactive CIMA Disciplinary Committee Hearing virtual tour that provides a visual look at what a full CIMA Disciplinary Committee hearing entails.

Anti-money laundering

The Association plays a number of roles in the global effort to prevent money laundering. One such role is overseeing CIMA's work as Anti-Money Laundering and Counter Terrorist Financing supervisor for members in practice (MiPs). As a designated AML/CTF supervisor, CIMA remains committed to addressing the evolving threats posed within the regulated sector.

Activities in 2024 included updating the MiP Rules and approving a scheme for supervising MiP-owned firms in light of new U.K. legislation affecting corporate service providers.

As co-chair of the U.K.'s Accountancy AML Supervisors Group, CIMA helped shape U.K. government policy on anti-money laundering (AML), contributing to the Economic Crime Plan 2 (2023–2026) and to the recent reform of the U.K. system of company registration.

At the same time, CIMA supported members, in particular MiPs, with a comprehensive suite of practical tools and information on AML compliance and developments.

In the U.S., AICPA was perceived as a beneficial ownership information (BOI) thought leader by government leaders, external stakeholders, and our members. The Financial Crimes Enforcement Network (FinCEN) provided an update based on AICPA concerns. As the AICPA and state CPA societies had been advocating, the first draft of the House continuing resolution American Relief Act, 2025 (H.R. 10545, dated Dec. 17, 2024) included a one-year delay of BOI reporting for pre-2024 companies to have to report by Jan. 1, 2026. See page 14 for more on BOI and advocacy.

Developing future professionals

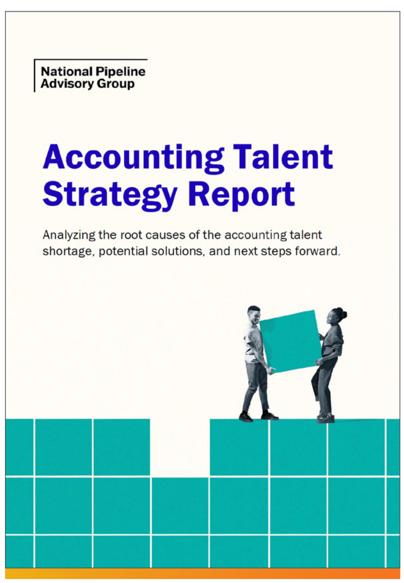
We work every day to attract new accounting and finance talent to the profession. In 2024, we enhanced our efforts to build and sustain a strong and diverse workforce, ensuring the long-term growth, relevancy, and sustainability of the profession.

CPA pipeline

The accounting profession has been facing a talent pipeline issue. Declines in the number of accounting graduates and CPA Exam candidates have exacerbated workforce shortages.

Entry-level salaries in public accounting remain less competitive compared to careers in finance, consulting, and technology, making recruitment challenging. And time and cost concerns related to the education required for CPA licensure have heightened debate over the need for alternative paths.

At the same time, shifting workplace expectations among younger professionals demand greater flexibility, better work-life balance, and clear career progression pathways. Employers that fail to modernize their talent strategies risk high attrition rates and long-term capacity constraints. Given this, we must advocate for changes that make the profession more accessible, including alternative pathways to licensure and greater integration of technology.



The multi-stakeholder National Pipeline Advisory Group (NPAG) finalized its work and released its report in July 2024. The NPAG recommendations and data-driven themes were discussed with more than 15,000 people through presentations, leadership updates, and communications between May and July 2024, when the report was in draft phase.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Recently, encouraging signs have been seen on college and university campuses. Fall 2024 accounting enrollments increased by 12% compared to Fall 2023 across all undergraduate institution types. Total undergraduate accounting enrollments for Fall 2024 were the highest accounting enrollments since Fall 2020, just shy of Fall 2019 enrollments.

To bolster the pipeline, we must encourage students to complete accounting programs and transition to careers in the profession.

Our efforts to help address the U.S. talent pipeline included:

Student outreach

- Working in collaboration with state CPA societies to expand the Accounting Opportunities Experience. Forty-four participating state CPA societies sent more than 1,200 volunteer accounting professionals to 895 schools across the country. CPA volunteers were able to reach 40,851 students, up 70% from 2023.
- Developing a new partnership with Junior Achievement, in collaboration with state CPA societies, and creating the Junior Achievement Firm Toolkit to provide step-by-step instructions on how to begin a JA partnership, including an email template to use when promoting with staff and links to marketing materials.
- Updating targeted messaging to high school and college students to enhance awareness and interest in pursuing the CPA designation, leveraging Accounting+ research and messaging from the Center for Audit Quality (CAQ), as appropriate.

Addressing education costs

- Providing over $1.2 million in scholarship funding to support students with a demonstrated financial need in their pursuit of the CPA license or of a Ph.D. in accounting.
- Launching the AICPA and NASBA Experience Learn and Earn (ELE) pilot program in January. ELE is an integrated education and experience program for individuals to earn up to 30 of the 150 credit hours of required education for CPA licensure at a significantly reduced cost. The program is open to individuals who are working full-time for any employer. ELE engaged 161 unique students across 86 employers, who collectively took 489 courses with partner Tulane University across three semesters in 2024.
- Continuing work on initiatives in the Pipeline Acceleration Plan to address critical challenges in the CPA journey, integrating insights from NPAG to refine strategies.
- Collaborating with NASBA to develop new licensure pathway concepts and proposed changes to the Uniform Accountancy Act to increase flexibility for students, such as addressing the time and cost of education.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

- Beginning development of a pipeline scorecard/dashboard to track the health of the CPA pipeline and measure progress on key high-impact projects in 2024 and beyond.
- Hosting the Accounting Talent Strategy Roundtable, bringing together major stakeholders to develop a joint road map for near-term pipeline efforts and deepen collaboration.

University relationships

- Strengthening collaborations with historically black colleges and universities (HBCUs), Hispanic-serving institutions, and minority-led organizations to increase accessibility to accounting education.
- Hosting monthly Faculty Hour Series web events with average audiences of more than 600 attendees to provide accounting academics with news and information.

CPA Exam

Together with NASBA and Prometric, we successfully launched the redesigned version of the CPA Exam, adapting to the evolution of skills needed in the accounting profession, in January 2024. This marked the largest change to the CPA Exam since it was computerized in 2004. Scores were released on time throughout the year with no test administration issues to report.

We delivered 148,029 CPA Exam test sections, exceeding expectations of 140,100 sections.

Under the new exam, candidates have a choice of Discipline Exam sections; 37% of the candidates selected the Business Analysis and Reporting (BAR) discipline section, 27% selected the Information Systems and Controls (ISC) section, and 36% selected the Tax Compliance and Planning (TCP) section.

Other notable CPA Exam milestones included:

- Successfully renewing the NASBA-AICPA-Prometric tri-party CPA Exam contract through 2039, securing our role and facilitating seamless administration of the CPA Exam.
- Continuing to assist the test preparation providers and university academics in adapting to the CPA Evolution changes to help all faculty prepare students for the revised CPA Exam structure.
- Working with NASBA and Prometric to offer the CPA Exam locally in the Philippines.

Apprenticeship in the U.S.

The past year was a time of continued growth in the Registered Apprenticeship Program pipeline, aligning CGMA pathways with emerging workforce needs and ensuring sustained relevance for the credential. In the U.S., the first apprentices in the Registered Apprenticeship Program graduated with the CGMA designation.

We launched apprenticeship programs in Florida and California, introducing scalable pathways for individuals at various career stages and addressing the critical demand for skilled management accountants. We introduced the Registered Apprenticeship for Accounting and Finance Associate, an entry-level program designed to serve as the foundation for a broader stackable apprenticeship model.

We piloted a grant-funded youth apprenticeship in Maryland as a model to introduce high school students to accounting as a career choice and signed 10 employers to hire students. The two youth apprenticeship leadership programs we hosted were milestone events aimed at cultivating future leaders and driving youth engagement.

A grant-funded partnership we secured with Junior Achievement allowed us to create an apprenticeship storefront in Maryland, enabling greater accessibility for aspiring professionals.

CGMA Professional Qualification

We took several key steps in 2024 to position the CGMA designation as a premier offering in management accounting and corporate finance by expanding partnerships with key influencers, universities, and employer groups.

We closed 2024 on track to deliver the refreshed CGMA Professional Qualification in 2025, with significant progress in the curriculum redesign. This incorporates key competencies in sustainability and critical thinking, ensuring the CGMA PQ aligns with evolving industry demands.

We delivered a record number of CGMA case study exams with the most Strategic Case Study and Management Case Study exams delivered since launch in 2015. More candidates passed the Management Case Study and Strategic Case Study than in any previous year.

Other highlights included:

- Administering 76,000+ exams, issuing results with 100% accuracy.
- Enhancing the question bank with 1,500+ new case-based scenarios.
- CGMA becoming the only international accounting qualification recognized within China's STEM talent framework.

Notably, individuals in England following the apprenticeship pathway made up 21% of new CIMA members in the U.K. in 2024. This means that roughly 12% of global new members came through this pathway.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Finance Leadership Program (FLP)

The CGMA Finance Leadership Program (FLP) is one of the pathways that enables a student to earn the CGMA designation. It uses the same syllabus as our other pathways, and students must pass the same case studies and complete the same Practical Experience Requirements (PER) as any other student. In 2024, we reached a new record number of active CGMA FLP students and continued to see high student and employer satisfaction with the pathway.

Future of Finance Leadership Advisory Group

The Future of Finance initiative and series of events brings leaders in the finance profession at top global organizations together to co-create the future of the profession and define the steps to get there. In 2024, we expanded the Future of Finance Leadership Advisory Group (FFLAG) to include over 60 senior finance leaders from Fortune 1,000 companies, cementing our influence in the corporate finance space.

Those critical relationships with FFLAG participants were leveraged to generate a robust pipeline of opportunities, with members transitioning to new organizations and introducing CGMA to their networks.

Together we developed a strategic agenda for the Future of Finance Summit, resulting in strong sponsorship growth and record registrations for the event.

And finally, we achieved significant referred sales growth and CGMA uptake, fueled by FFLAG members and insights from the Future of Finance maturation journey with over 80% of referral deals coming from this audience.

Source: Business Learning Institute video *Navigating the Waves of Change at the Future of Finance Summit 2024.*

Developing future-ready professionals with tax and advisory services

Our tax policy efforts closely align with the work we do to empower members to advance their careers and deepen their skills through specializations in tax, personal financial planning, forensic accounting, valuation, and technology.

In 2022, we positioned accounting professionals as the premier providers of specialized advisory services and championed specializations as a pathway to enriched and future-ready careers in accounting. This included providing exclusive resources and technical guidance to help CPAs and finance professionals in specialized advisory service areas to succeed in their disciplines.

We also supported CPAs on issues affecting specialized disciplines, including beneficial ownership information reporting, the employee retention credit, potential effects of the Tax Cuts and Jobs Act (TCJA) sunset, tax reform, SECURE 2.0 Act, cybersecurity, data analytics, and AI and financial instruments.

Other activities included:

- Continuing to encourage accounting and finance professionals to enhance their skills and maintain relevance through learning badges and credentials, including Certified Information Technology Professional (CITP®), Accredited in Business Valuation (ABV®), Certified in Financial Forensics (CFF®), Certified in the Valuation of Financial Instruments (CVFI®), and Personal Financial Specialist (PFS™).
- Maintaining professional standards for advisory services, including launching modernized tax standards and monitoring the International Ethics Standards Board for Accountants (IESBA) tax planning standards implementation.
- Rolling out an approach to disaster management that supports both members affected by disasters and those who want to support their clients, firms, and organizations with advocacy, planning and preparation, relief support, and recovery efforts related to disasters.
- Connecting CPAs with a vast community of professionals through online practitioner roundtable and fireside chat discussions, credential champion programs, PFS Live! Workshops, credential study groups, and specialized webcasts, schools, workshops, and conferences.
- Driving renewed focus on CPAs as financial planners with public campaigns, podcasts, webcasts, workshops, and resources to show opportunities that tax practitioners can take incrementally to activate more holistic tax and financial planning services to clients.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

AICPA & CIMA ENGAGE conference in the U.S.

ENGAGE Africa conference in Durban, South Africa

Town Halls, conferences, key meetings, and trainings

Lifelong learning is critical to keeping up with industry trends, developing the ability to adapt and respond to new circumstances, and gaining new skills to stay relevant in a competitive talent landscape. We remain committed to upskilling and reskilling accounting and finance professionals through our learning resources, credentials, and certificates. Highlights of select 2024 conference, learning, and training activities include:

- Delivering a record-breaking AICPA & CIMA ENGAGE conference in the U.S., which achieved the highest attendance to date and drove significant increases in social engagement, solidifying AICPA's role as a leader in the learning and events space.
- Holding the first ENGAGE Africa conference in Durban, South Africa, and other global ENGAGE conferences hosted in the U.K. and Poland.
- The AICPA Town Hall series remaining a key communication and thought leadership platform for the profession. The Town Hall series achieved average participation of 12,600 total live and on-demand plays per episode and a regular audience of 30,000 professionals, reinforcing its status as a trusted source of industry updates. AICPA Town Hall — which has created an engaged community, with many small firm practitioners participating — provides technical content and insights into trends in the accounting and finance profession. Satisfaction ratings for AICPA Town Halls continue to trend high (generally at 97% or above).

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

- Hosting a number of events to support and engage with CIMA members in practice (MiP), including the 39th Annual Members in Practice Conference, with over 100 members in attendance, and the Annual New MiP Essentials Day, supporting new MiPs. Virtual offerings included introducing the “How To” webinar series for MiPs.
- Hosting the CFO conference, which was the highest-attended CFO event in AICPA’s history.
- Hosting the National Tax Conference and the AICPA & CIMA Conference on Current SEC and PCAOB Developments, which outperformed registration and revenue goals.
- Holding, with Deloitte, the second annual Portfolio Valuation Forum with over 600 attendees in 28 countries.
- Hosting the 7th International Forensic Accounting Student Case Competition in partnership with Prince Sultan University.
- Launching A&A Focus, a monthly, CPE-eligible webcast with experts offering updates on the latest happenings in the accounting, auditing, and assurance space. Achieved an average of 5,300 total live participants per episode, illustrating the value of timely, relevant, and targeted content.
- Holding Digital CPA Conference 2024, which saw record-breaking attendance and expanded its audit transformation track, complementing the long-standing client advisory services-focused content.
- Through the ABV, CFF and PFP Champion programs, engaging highly active members to serve as mentors, advocates, and local points of contact to enhance visibility for the CPAs in specialized advisory service areas.
- Hosting a landmark Association Board Meeting in Shanghai, with many board members visiting China for the first time, reinforcing global collaboration.

Advancing a high-quality accounting profession globally

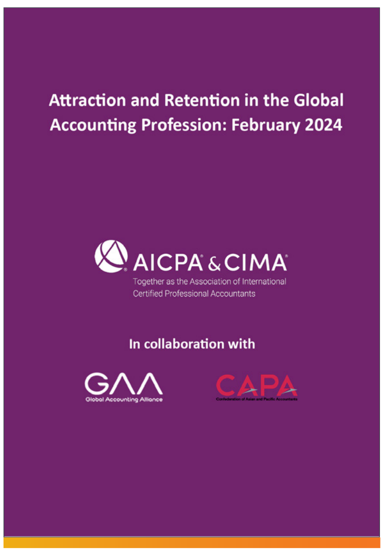
The Association is a member of the Global Accounting Alliance (GAA), a coalition of 10 of the world’s leading accounting institutes whose members practice in major capital markets. Together, they serve the public interest by sharing best practices, working to promote quality services, and advocating on international issues relevant to the profession.

The GAA’s secretariat is housed within the Association. Activities in 2024 included:

- Meeting as a GAA delegation with Mathias Cormann, the Secretary-General of the Organisation for Economic Co-operation and Development (OECD), in Paris to discuss sustainability, audit regulatory reform, and taxation.

- Issuing [*Nature is everyone's business*](), a report detailing collective progress against four nature commitments, and collaborating as the GAA Sustainability Working Group on a nature guide for accountants. The GAA also co-published a report highlighting the importance of corporate natural capital accounting (CNCA) in helping businesses build resilience and value through nature-positive action and how accountants are well-placed to help drive uptake of CNCA across the market.

- The GAA and the Japanese Institute of Certified Public Accountants co-sponsored an invitation-only Global Accounting and Audit Forum in Osaka. The event was organized by Nikkei Inc., and supported by numerous organizations.



- Conducting, as the Association, the GAA and the Confederation of Asian and Pacific Accountants, a survey to gather basic, high-level data about what representatives of constituent accounting organizations are seeing in terms of employment levels within the accounting profession in their home country or globally. The survey was sent to 35 CAPA and GAA member bodies. Representatives from 33 bodies representing over 2.5 million accountants, globally, provided responses. Read the full survey report.

Audit and attest quality and regulation

The AICPA Auditing Standards Board (ASB), a senior volunteer committee, and its supporting staff worked diligently in 2024 to develop high-quality audit, attestation, and quality control standards in the public interest. Significant efforts in 2024 included evaluating requirements and guidance related to 1) the auditor's consideration of fraud risks and confirmation procedures; and 2) enhancements to the attestation standards to address practice issues identified, including in relation to performing sustainability and other nonfinancial assurance engagements.

In addition, staff activities included developing, launching, and completing several research efforts in key areas being considered by the ASB. Our research is informing the work of the ASB and influencing the work of others including the International Auditing and Assurance Standards Board (IAASB) and the Public Company Accounting Oversight Board (PCAOB).

We provided comment letters on PCAOB proposals, influencing changes to requirements for firms. And we led efforts to influence the direction of global audit and assurance standard-setting, including by responding to IAASB proposals to serve as the voice of the U.S. profession in connection with the development of global audit and assurance standards.

Accounting standards/financial and business reporting

AICPA responded to significant Financial Accounting Standards Board (FASB) proposed accounting standards to serve as the voice of the profession on accounting guidance, combined with providing accounting implementation guidance to enhance consistent application.

The Technical Issues Committee (TIC) of the Private Companies Practice Section (PCPS) issued numerous comment letters in 2024 to accounting, auditing, independence, and ethics standard-setters, expressing the viewpoint of small and medium-sized CPA firms and their clients. TIC members also joined numerous standard-setting task forces, influencing the development of new standards.

Accounting and audit guidance

Working with volunteers and key committees, we played a critical role in guiding CPA firms and preparers through complex accounting standards by developing implementation guidance.

The Center for Plain English Accounting (CPEA) trained CPA firms through its unique course on "Reimagining Risk Assessment," assisting firms to audit more efficiently and effectively and in a manner more appealing to junior firm staff. In addition, the CPEA offered firms a series of reports sharing insights from its Reimagining Risk Assessment training.

The CPEA conducted research into common deficiencies related to revenue recognition accounting and offered CPA firms extensive practical help on avoiding such mistakes and applying the proper guidance.

And the CPEA issued 25 other reports and conducted 8 webcasts in 2024, providing practical assistance with relevant accounting and auditing topics.

The AICPA's Technical Hotline answered thousands of member inquiries related to a variety of accounting and auditing topics. And we issued Technical Questions and Answers to address several practice issues identified by members.

We published a new Accounting and Valuation Guide – Business Combinations, which provides practical guidance and illustrations and describes best practices for accounting and valuations for business combinations.

We provided clarity on implementation of several accounting topics, including:

- Current expected credit losses (CECL) to not-for-profit programmatic investments
- Improvements to reportable segment disclosures for brokers and dealers in securities
- Employee benefit plan reporting topics related to ERISA plans, revenue sharing, and tax disclosures
- Application of new lease accounting standard to airlines
- Estimating the fair value of equity securities underlying awards of stock-based compensation

We incorporated conforming changes in all the audit and accounting guides published in 2024 to reflect updated professional standards issued by the ASB.

We revised the *Digital Assets* practice aid to include new chapters on existence, rights, and obligations, as well as valuation.

To help CPA firms effectively implement the new quality management standard requirements, we delivered ongoing support (including through webcasts, CPE sessions, and free resources). We created a tool kit for state CPA societies and worked with more than 10 state societies to deliver training on the new standards.

And we advanced efforts to address technology-enabled auditing, providing actionable insights into the integration of advanced tools and techniques for audits.

Employee benefit plan audits

Employee benefit plan (EBP) auditing can be a complex and challenging area in which practitioners benefit from continually sharpening their skills. To increase quality and protect the public interest, the AICPA established the Employee Benefit Plan Audit Quality Center (EBPAQC), a firm-based voluntary membership center for firms that audit EBPs. The EBPAQC provides valuable resources to help members recognize and avoid common employee benefit plan audit deficiencies identified by peer reviewers and the U.S. Department of Labor. The AICPA also has audit and accounting guidance conferences, CPE, and learning to support members in EBP auditing.

Activities in 2024 included:

- The EBPAQC developing resources to address audit deficiencies identified in the 2023 Department of Labor audit quality study and continuing to enhance audit quality in benefit plan engagements, addressing key compliance and regulatory updates.
- Partnering with the U.S. Department of Labor and Internal Revenue Service representatives to address evolving compliance challenges.

- Developing a best practices guide on multiple employer plans (MEP), including a new type of MEP established by the SECURE Act of 2019 called a pooled employer plan (PEP).
- Releasing an interactive 20-module EBP fundamentals learning program for use by firms to provide foundational learning to individuals new to EBP auditing.

CPA firm peer review

Our staff worked with the AICPA Peer Review Board (PRB) in 2024 to develop an exposure draft to align peer review standards with new quality management standards and to clarify and improve existing technical guidance.

We enhanced the peer reviewer search tool, enabling firms to narrow their search results to include only reviewers who indicated they were accepting new clients.

And we published the PRB Annual Report on Oversight, which noted a 1% decrease in nonconforming engagements and a 4% decrease in the number of nonconforming audits over the past year.

Public sector/governmental audits

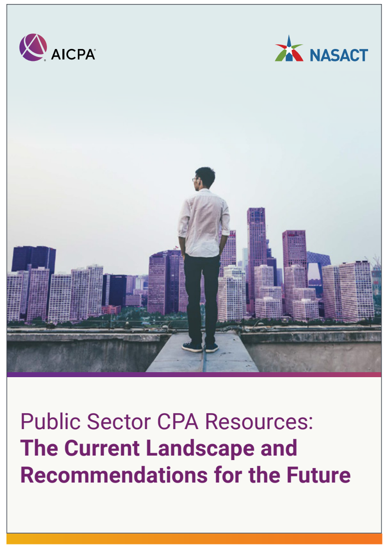
The Governmental Audit Quality Center (GAQC) strengthened its efforts in governmental auditing and compliance, providing critical resources to auditors working with public sector entities. This involved interacting with numerous federal agencies including the U.S. Office of Management and Budget (OMB) and federal funding agencies like the U.S. Department of Health and Human Services and U.S. Department of Education on matters relevant to the performance of single audits of federal funding. One topic at issue was the rollout of a significant revision to the single audit Uniform Guidance regulation.

The GAQC trained more than 7,000 webcast attendees on topics relevant to governmental financial statement audits, single audits, and other types of compliance audits.

Meanwhile, we advocated on behalf of members around federal proposals on compliance audit matters, including almost 100 draft program sections that were included in the 2024 OMB Compliance Supplement, which auditors use to perform their single audits.

It is critical that government entities have strong accounting, auditing, and finance functions to ensure accountability to the citizens they serve and other stakeholders. Just as important, governments need to be able to engage qualified CPA firms when external audits are required. Having a strong pipeline of CPAs in the public sector is key in both circumstances.

A joint working group of AICPA and the National Association of State Auditors, Comptrollers and Treasurers (NASACT) worked in 2024 to address the most important factors in hiring CPAs to work in state and local government entities and finding qualified CPA firms to audit those entities. The working group published *Public Sector CPA Resources: The Current Landscape and Recommendations for the Future*, which offers insights and recommendations relative to the challenges governments face in hiring and retaining CPAs and finding qualified CPA firms to audit them.



Evolving assurance services

In 2024, volunteers and staff continued efforts to anticipate, assess, and address evolving market needs and demand for assurance and advisory solutions.

For example, two AI-focused working groups have been established under the AICPA Assurance Services Executive Committee (ASEC). The ASEC AI Working Group is focused on developing guidance to help practitioners navigate AI considerations related to the financial statement audit and Internal Control over Financial Reporting (ICFR). It will ultimately address AI assurance guidance for specific use cases as market demand evolves. A subgroup was also formed to develop practitioner guidance on how the use of AI in the process or system that is being examined affects SOC 1® and SOC 2® engagements.

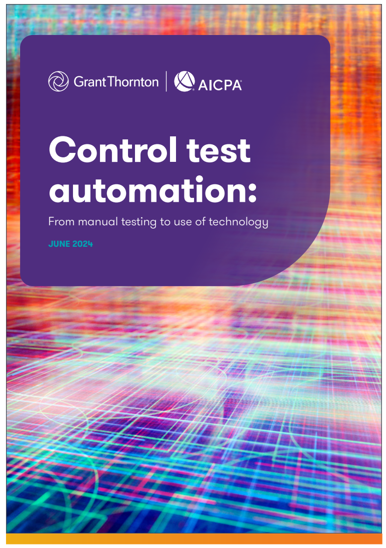
In 2024, the Association submitted a response to the National Institute of Standards and Technology (NIST) request for information related to the implementation road map for the U.S. Government National Standards Strategy for Critical and Emerging Technology. This was an important step in establishing engagement with NIST on discussions related to their Plan for Global Engagement on AI Standards, including discussions around assurance considerations.

Our thought leadership efforts included launching a new AI series for auditors and assurance providers in collaboration with CPA Canada and EY. The first paper, *Navigating the AI Revolution: Key Updates for Today's CPA*, covers the evolution of AI, including Generative AI, Multimodal AI, and Embedded AI; provides use cases and illustrative risks and challenges; and introduces the importance of AI governance. The second paper, *Closing the AI Trust Gap: The Role of CPAs in Strengthening AI Governance and Risk Management*, focuses on how CPAs can support implementation of AI governance practices that promote the responsible development and usage of AI systems.

Grant Thornton and AICPA issued a thought leadership paper, *Control Test Automation: From Manual Testing to Use of Technology*, that explores the benefits of performing full population control testing through CTA used by entities and their external auditors.

In the area of learning, we introduced a new system and organization control (SOC) and third-party risk management track at ENGAGE U.S.

To help monitor the market for SOC and third-party assessment services, we conducted a SOC survey. The published results show continued strength and growth in the market for these services.



Leading audit transformation

In 2024, significant progress was made in shaping the future of audits by advancing the adoption and capabilities of the Dynamic Audit Solution (DAS). This tech-enabled audit methodology application is being developed to enhance the quality, efficiency, and value of financial statement audits.

Key 2024 accomplishments include the following:

- Marketplace momentum and adoption
  - Achieving pipeline growth across large and mid-market firms. Many top 100 firms are on a path to full migration. As of December 31, 2024, there were 12,300 user seats on the platform.
  - Receiving overwhelmingly positive feedback, with firms highlighting as key benefits enhanced efficiency and quality; staff engagement and upskilling; implementation training; and the flexibility to use “out of the box” or as a customized solution.
- Stakeholder engagement and training
  - Rolling out on-site training and self-study programs that were extremely well received by firms, helping to drive the successful adoption of DAS into their practices.
  - Successfully launching a formal pilot program for firms advancing DAS implementation to offer firms guidance and customizable implementation services to meet their needs.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

- Product expansion and enhancements
  - Releasing the single audit template, a DAS module that offers a comprehensive suite of tools designed to help firms more effectively navigate the complexities of single audit.
  - Adding group audit and central planning capabilities. DAS is the only audit platform that offers these features, which streamline audit workflows for a more efficient audit.
  - Accelerating the development of industry-specific content across the DAS suite, enhancing its utility for a broader range of firms. All core industry content is now available on the platform. Releases in 2024 included: Healthcare (for-profit and not-for-profit), HUD for hospitals, technology, real estate, dealerships, depository and lending institutions, investment companies, and insurance.
  - Continuing to enhance DAS's four-product suite: DAS, OnPoint EBP, OnPoint PCR (preparation, compilation, and review), and OnPoint Audit.

Encouraging technology adoption and innovation

Artificial intelligence (AI) and automation are transforming the accounting profession at an unprecedented pace. AI-driven tools are enhancing data processing, improving forecasting accuracy, and streamlining compliance functions. Transactional work is increasingly automated, reducing the time and effort required for traditional accounting tasks. This shift is fundamentally altering the profession's skill requirements and workforce dynamics.

The 2024 AICPA and CPA.com Executive Roundtable brought together more than 60 C-suite leaders from the accounting and technology sectors to discuss topics such as the rise of AI and automation in practice transformation, evolving firm business models in response to technology adoption and strengthening collaboration between the accounting profession and technology providers.

CPA.com spearheaded a multipart Generative AI initiative, providing accounting and finance professionals with critical insights and practical applications of AI within the profession.

AICPA and CPA.com hosted the first-ever AI Symposium in January, convening firm leaders, standard-setters, solution providers, and technology experts to explore AI's transformative potential. We released a special report, *The Rise of GenAI*, summarizing key takeaways to deepen professionals' understanding of AI in accounting.

We introduced an AI-focused cohort in the 2024 AICPA and CPA.com Startup Accelerator, featuring early stage companies developing AI solutions tailored for the profession.

Additionally, we published a Generative AI white paper, developed from insights at a FFLAG meeting utilizing the Generative AI tool Snapsight by Gevme, underscoring our leadership in shaping discussions around innovative technologies and their impact on the finance profession.

Business model transformation

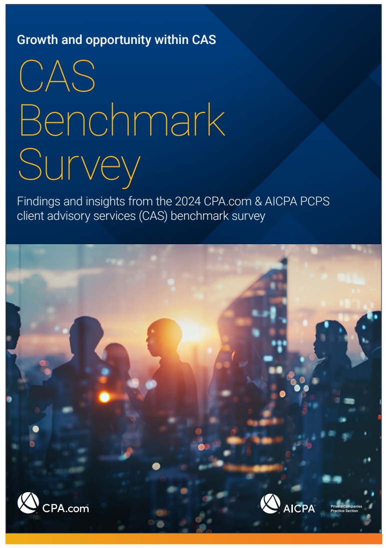
In 2024, we continued the development of resources under the AICPA/PCPS Transforming Your Business Model project, designed to provide ongoing practical tools and support CPA firms in creating cultures that attract, retain, and develop talent. Notable new resources support talent-related elements of business models, including tool kits designed to strengthen competitiveness in the market and improve employee experiences through compensation, offshoring, and aligning roles to skills. Additionally, firms were provided resources to support right-sizing their client base. All resources are supported by peer-to-peer sharing of lived experiences.

Efforts to advance business model transformation included:

- Developing strategies to provide content to state CPA societies that expand the reach and engagement with resources that are part of the Transforming Your Business Model initiative.
- Hosting multiple profession-wide webinars and events featuring advocates and accounting leaders discussing the benefits of creating cultures of inclusion.
- Releasing tool kits and resources focused on Practice Transformation Initiatives, including Client Advisory Services growth strategies; audit and assurance service modernization; and technology adoption, including AI and automation.
- Expanding benchmarking tools, helping firms measure financial and operational performance against industry peers.
- Developing frameworks to support firms exploring merger and acquisition opportunities, ensuring leadership continuity and growth.
- Bringing together the profession's most forward-thinking leaders and practitioners to explore strategies for evolving firm service models.

Client Advisory Services

CPA.com and PCPS conducted the fourth biannual CAS Benchmark Survey, providing firms with data-driven insights into CAS practice trends. We released a comprehensive report in December, highlighting continued double-digit growth in CAS across firms of all sizes; key performance benchmarks for CAS practices; and actionable insights to help firms refine their strategies and drive practice growth.



To address concerns raised by CAS professionals regarding the applicability of certain standards to "CFO for hire" engagements, the AICPA Accounting and Review Services Committee (ARSC) issued an exposure draft that would create an amendment clarifying that a CPA is not required to comply with SSARS and therefore be subject to quality management standards and peer review when financial statements are prepared as a byproduct of a CAS engagement.

Driving insights on sustainability

To expand awareness and share insights on the role of finance professions in sustainability and building resilient organizations, our efforts in 2024 included hosting collaborative events with leading global institutions. Those events included a joint webcast with ISSB, the Center for Audit Quality, and CPA Canada on 2024 sustainability disclosure priorities. Other efforts included:

- Publishing a joint report with IFAC, *The State of Play: Sustainability Disclosure and Assurance, 2019–22 Trends & Analysis*, providing critical insights into the evolution of sustainability reporting and assurance practices. The report was based on 2022 reporting of market practice by 1,400 companies across 22 jurisdictions.
- Supported the delivery of four cohorts of the joint ESG and Sustainable Financial Strategy Course with Saïd Business School, University of Oxford, attended by more than 200 finance and accounting professionals.
- Co-hosting member webinars with Saïd Business School, University of Oxford, addressing cutting-edge topics, such as AI ethics, regulation, and safety.
- Launching introductory e-learning modules on the European Sustainability Reporting Standards, in partnership with PwC. Additionally, deep-dive e-learning modules and workshops provided specialized training.
- Offering Datamaran's audit-ready, tech-enabled, and AI-powered double materiality SaaS tool, which equips corporate clients with advanced solutions for managing sustainability-related risks and opportunities.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

- Engaging U.S. professionals and organizations through ongoing advocacy and education for sustainability reporting, assurance and advisory services, and sustainable business models, addressing challenges in overcoming barriers to entry in this expanding market.
- Joining the IFRS Foundation's Partnership Framework for Capacity Building and contributing thought leadership to the Knowledge Hub for IFRS Sustainability Disclosure Standards.
- Continuing to monitor and build awareness of regulatory developments.

People, culture, and capabilities

Our people are central to what we do. We support our members, candidates, registrants, and stakeholders worldwide through our 32 offices. That requires cultivating an innovative and collaborative mindset to grow our capabilities and services and expand awareness of the Association and the accounting and finance profession.

Our participation in the external Great Place To Work® (GPTW) survey helps us measure employee engagement across various factors. In 2024, we earned GPTW certification in seven countries: U.S., U.K., Ireland, South Africa, Malaysia, India, and China. The survey results are driving action plans to address identified gaps, and results from an October pulse survey among Association employees demonstrated progress between April and October on three of the five key metrics.

We strengthened accountability among people managers through consistent reminders to record goals and check-ins, ensuring clear expectations and follow-through on performance management processes.

To enhance clarity on our objectives, we successfully socialized the Association's new strategic approach with over 350 employees in attendance, demonstrating strong interest and alignment with the high-impact project's objectives.

Other notable achievements included:

- Maintaining high ratings for internal communications, with 78% of employees reading most or all Connections staff newsletters and 82% receiving reinforcing messages from their managers, ensuring clarity on strategy and individual contributions.
- Seeing 10 members of the Association executive and leadership team and three volunteer leaders named to the 2024 Top 100 Most Influential People list by *Accounting Today*.
- *Forbes* presenting a Lifetime Achievement Award to retiring Association CEO Barry Melancon. Forbes called Melancon "a living legend" and the world's most influential and recognizable CPA.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Member satisfaction and member service capabilities

In 2024, AICPA and CIMA member satisfaction increased, rising to 7.24 (AICPA) and 7.09 (CIMA) on a 10-point scale, respectively. AICPA section members and CIMA students also reported higher satisfaction, with their rating rising to 7.8 (AICPA section members) and to 7.82 (CIMA students).

To position the Association to drive value and efficiency, we successfully completed the transition to a new technology vendor to ensure operational continuity during a critical period of change. We continued efforts to optimize third-party contracts, resulting in cost savings.

Our commitment to sustainability includes social and governance aspects of our business. A key area of social impact in 2024 was our continued emphasis on a strong learning culture at the Association, providing opportunities for our employees to cultivate their own professional growth to ensure delivery of our best-in-class services and resources to members and candidates.

We encouraged Association employees to develop skills to better serve members while staying current with accounting and finance knowledge. Individual learning was self-driven, with manager support, including access to the Coursera learning platform, external training, internal webcasts for business and cultural knowledge, and the catalog of learning resources available to members. Learning totaled more than 4,000 hours across more than 500 learners.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Goals not fully met *

Navigating a challenging and uncertain environment in 2024 meant that the Association had to remain flexible and adaptable to ensure adequate support for the profession while enhancing our chances of accomplishing our goals. As a result, we had to reassess priorities throughout the year and specific key strategic actions were delayed or partially met.

- **Membership targets.** The Association ended the year with a total population of 580,000, which is 19,000 below the target of 599,000 for public and management accounting members, CGMA candidates, and registrants. At a macro level, population challenges stem from digital platform disruptions, the aging population, and our strategy to recruit more highly qualified CGMA candidates and registrants who will progress through to membership. Additionally, public accounting firms continue to adjust their hiring practices as they expand their advisory services and hire fewer CPAs. We are reevaluating our recruitment and retention strategies and working with our partners — including universities, state CPA societies, and other accounting bodies — to optimize our efforts and drive interest in the accounting and finance profession.
- **Operating deficit.** Compared to the break-even target, the Association had an operating deficit of $3.7 million, which was in line with what was communicated to the Association Board in July 2024.

  This constitutes approximately 1.1 percent of revenue, and management decided not to take more aggressive actions to force breakeven because of the long-term and member service impacts.
- **AICPA & CIMA digital platform.** We successfully stabilized our new digital platform in 2024, however we must continue enhancing the member and student experience to make it easier to interact with us online.
- **CPA pipeline.** We continue to build out and evaluate many of our initiatives to recruit individuals into the profession, but the long-term CPA pipeline trend remains challenging. Despite this, we are encouraged by the increase in number of U.S. accounting undergraduate students in Fall 2024. To mitigate long-lasting pipeline issues, we continued our work with the National Pipeline Advisory Group (NPAG), overseeing the development of work plans, focus groups, and national surveys.
- **Retaining CGMAs in the U.S.** Many of the CPAs who initially elected to become CGMAs in the U.S. have since let their designation lapse. This has made building scale and momentum in the U.S. difficult. We continue to look for ways to deliver incremental value for these professionals and engage them in meaningfully new ways.
- **Sustainability market traction.** We continue to monitor current and potential sustainability requirements for businesses, including shifts in the likelihood of certain reporting requirements, and to educate members about developments.

* Operating targets and results exclude related organizations and affiliates of the Association's founding membership bodies as well as market-driven changes in investments and pension.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

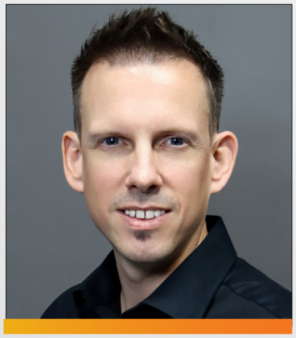
Meet some of our members

"There is no industry in the world that does not need an accounting and finance professional to thrive."

Michael Mensah Ahorlu, ACMA, CGMA
CEO, Trade Check Africa
Accra, Ghana

"Finance will always be a key driver in process improvement, governance, and efficiency, ensuring timely reactions and laying the foundation for outstanding cross-functional support."

Rachel Chen
Senior finance leader
Guangzhou-Foshan Metropolitan Area, China



"Finance provides the foundation for informed decision-making and sustainable growth, enabling businesses to thrive."

Mark Clayton, FCMA, CGMA
Group CFO, China 2 West Services Ltd.
Hong Kong

"I see the role of accounting professionals, especially those in the personal financial planning arena, becoming even more essential as our world becomes more and more complex."

Marianela Collado, CPA/PFS, CFP, CDS
CEO and co-owner, Tobias Financial Advisors
Fort Lauderdale, Florida

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

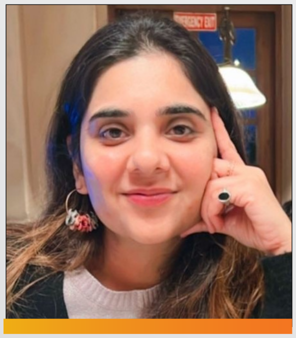
Meet some of our members

"My biggest passion is advocacy. As a small business owner, it is really hard to have a voice when there are issues. It feels like David taking on Goliath. Pennsylvania Institute of CPAs (PICPA) and AICPA give small firms the ability to have a voice in helping to improve the accounting world."

Cheri Freeh, CPA, CGMA
President & CEO, Hutchinson Freeh, PC
Quakertown, Pennsylvania, U.S.A.

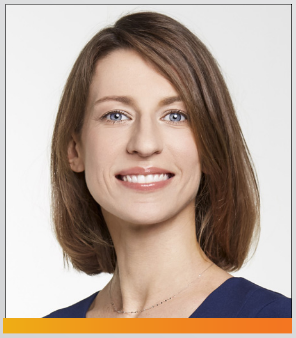
"We must rely on what makes us great – our core foundation of knowledge, yet we must also be flexible enough to adapt and embrace the speed of technological change."

Andrei Iorgulescu, CGMA
Reporting Manager, Deutsche Telekom Services Europe Romania
Bucharest, Romania



"Being a member of a professional organization helps me learn new things, connect with other professionals, and stay committed to high standards in my work."

Dilpreet Kaur, CPA, ACMA, CGMA
Associate Research Analyst, Dun & Bradstreet
New Delhi, India



"What excites me most about the accounting and finance profession is its ever-evolving nature."

Małgorzata Kołodziejczyk, ACMA, CGMA
Senior Finance Manager and UK Controller
Hewlett Packard Enterprise
Wrocław, Poland

Meet some of our members

"Every investigation I undertake is a step toward building trust, ensuring transparency, and strengthening the foundation of ethical business practices."

Lavan Sarat Pattii, CGMA, CA, CMA, LLB
Partner & Forensic Accountant, Sarath & Associates
Andhra Pradesh, India

"I believe that our roles as finance and accounting professionals should emphasize transparency, accuracy, and integrity in financial reporting."

Deborah Quarshie, ACMA, CGMA
Principal Auditor, Ghana Audit Service

"The partnership between finance and technology continues to be a critical enabler to connect data and information that is naturally disconnected and, once connected, can provide valuable strategic insight."

Jennifer R. Reilly, CPA, CGMA
Head of Strategic Finance Business Partners
MassMutual
Charlotte, North Carolina, and Boston, Massachusetts

"We are becoming more 'co-pilots' to department managers, directors, and boards rather than just reporting and moving money around with journals."

Gavin Simpson, ACMA, CGMA
Finance Business Partner, Jaguar Land Rover
Wellingborough, England

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Delivering on sustainability

Sustainability remains an integral part of the accounting and finance profession and the Association. Throughout this report, we outline our key initiatives to achieve business sustainability in 2024 and our ambitions for the upcoming year.

The path to net zero

In October 2021, the Association made a public commitment to develop a plan to reach net zero greenhouse gas emissions as soon as possible and report annually on our progress. We also pledged to provide resources to our members, candidates, and registrants to assist them in their journey toward a more sustainable planet.

The Association began implementing sustainability initiatives to increase energy efficiency and reduce waste long before making our 2021 commitment to achieve net zero emissions, but we have only recently begun tracking and calculating our carbon emissions.

Our reporting includes Scope 2 greenhouse gas emissions data for our six largest offices, achieving over 80% coverage in both space and headcount. In 2025, we plan to expand that scope to include one additional office. We also track Scope 3 emissions data for air travel for most of our staff and volunteers as well as lodging, meals, and entertainment resulting from business travel. Lastly, we continue to focus on capital goods and professional fees under Scope 3 because those activities make up most of our emissions. We do not have Scope 1 emissions.

Significant efforts were made in 2024 to reduce our office footprint across several of our larger offices, resulting in both reduced emissions and lower costs. In addition, we reduced our reliance on suppliers, leading to a lower impact from purchases.

As we head into 2025, the Association will continue to track and calculate our emissions from select areas and begin setting targets to develop a timeline and a pathway to achieve net zero emissions. We will also expand our carbon inventory scope to include emissions from our remote workforce, as well as emissions from events and conferences. Lastly, we will continue to serve our members, candidates, and registrants with relevant resources and guidance on ESG and sustainability-related reporting, disclosure, and assurance requirements.

Governance

Association Board of Directors

In support of public and management accounting, the Association Board of Directors is the core of our governance structure. The Board aligns with our organization's unique value proposition and addresses relevant issues while embracing opportunities to protect the public interest, advance the AICPA and CIMA membership bodies, and meet the profession's needs.

The Board is composed of 26 leaders from the profession and the public, representing the diverse perspectives and expertise of the membership and stakeholders we serve. They extensively monitor the external environment and key trends that could have the most significant implications for the profession and organization in the future. With that insight, they help shape and ultimately oversee the development and approval of the Association's strategic plan and budget, monitor performance against goals, and provide overall enterprise risk management.

> Together, Board members address the issues that significantly affect the entire accounting profession — both public and management accounting — including emerging service areas, competition, global advocacy, and competency development.

When considering candidates for the Board, the Nominations Committee reviews a variety of factors, including professional experience, competencies, organizational size, geographic location, and diversity.

Board leadership

Simon Bittlestone, FCMA, CGMA
Chair, Association of International Certified Professional Accountants

Carla McCall, CPA, CGMA
Co-Chair, Association of International Certified Professional Accountants

The 2024 Association Board aligned with our membership composition of **52% women** and **featured representatives** from **four continents**.

2024 Association Board members

Simon Bittlestone, FCMA, CGMA
Wesley (Wes) Bricker, CPA
Kay French, FCMA, CGMA
Sarah Ghosh, FCMA, CGMA
Anthony Gonzalez (public member)
John Graham, FCMA, CGMA
Angela Ho, CPA, CGMA
Rania Kaissi-Fawaz, CPA, FCMA, CGMA
Lexy Kessler, CPA, CGMA
Marie Large, FCMA, CGMA
Jan Lewis, CPA
Carla McCall, CPA, CGMA
Anoop N. Mehta, CPA, CGMA
Barry Melancon, CPA, CGMA
Rumbi Bwerinofa-Petrozzello, CPA, CGMA, CFF
Alfred Ramosedi, FCMA, CGMA
Okorie Ramsey, CPA, CGMA
Asif Sadiq (public member)
Michelle Schumacher, CPA
Scott Showalter, CPA, CGMA
Annette Stalker, CPA, CPA, CFF
Charlie Steel (public member)
Lindsay Stevenson, CPA, CGMA
Jacquelyn Tracy, CPA, CGMA
Alan Whitman, CPA, CGMA
Justin Ye, FCMA, CGMA

2024 AICPA and CIMA Councils

AICPA leadership

Carla McCall, CPA, CGMA
Chair

Lexy Kessler, CPA, CGMA
Vice Chair

Okorie Ramsey, CPA, CGMA
Immediate Past Chair

CIMA leadership

Simon Bittlestone, FCMA, CGMA
President

John Graham, FCMA, CGMA
Deputy President

Sarah Ghosh, FCMA, CGMA
Immediate Past President

AICPA governing Council

AICPA's governing Council consists of about 265 members and representatives from every U.S. state, district, and territory. AICPA Council provides input to the Association's strategic plan and programs in line with current and future market needs and works to protect the public interest. Council convenes twice a year, in May and October, with smaller regional meetings held each March.

CIMA governing Council

CIMA's governing Council consists of up to 58 members, including honorary officers, elected fellows and associates, and members co-opted for the skills and experience they provide. CIMA Council provides input to the Association's strategic plan and programs in line with current and future market needs and sets standards and regulations for members in line with the objectives of CIMA's Royal Charter and members' wider duty of care to the public interest. Under normal circumstances, Council meets twice a year in person and twice virtually.

Regional engagement groups

Regional engagement groups (REGs) have two primary responsibilities: (1) providing insights and input into the Association's strategic plan on local marketplace trends and offering the perspectives of members, candidates, employers, and key regional stakeholders, and (2) driving local member and candidate engagement by serving as a key conduit between members, candidates, and stakeholders in the regions and the Association Board. In this capacity, they represent, engage, and advocate for the CGMA designation across the globe.

The Association Nominations Committee selects REG members and includes members, candidates studying to become professionally qualified, and employers.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Risks and opportunities

In 2024, the Association monitored the following trends and their implications and opportunities.

Enterprise risk management

The Association's enterprise risk management (ERM) approach leverages the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ERM Integrated Framework to assess enterprise risks. It equips the Association with a systematic method for identifying, assessing, and developing mitigation plans for the risks deemed most threatening to the Association's finances, relevancy, and reputation. ERM is a key element in the development of the Association's strategic plan and is updated each year to reflect the evolving risk landscape.

Given that the Association exists to serve the global accounting and finance profession, and a key technical area of the profession is risk management, the Association views ERM as a critical, organization-wide effort. Although some organizations compartmentalize ERM to a limited number of business units, the Association embeds risk management across all our major business lines so that risk is managed on an ongoing, regular basis. We believe this is a fundamental difference in how we manage risk across our business compared to some other organizations.

In 2024, we collected inputs from external reports and interviews with members, volunteers, and leadership to review the risk landscape. We identified and addressed the potential causes, as well as the consequences and mitigations, of each risk. The significance of each risk was then evaluated based on the likelihood of occurrence and potential impact, both before and after mitigation plans were in place.

The enterprise risks were categorized as external, operational, or strategic. External risks emerge from outside the organization; operational risks arise from within the organization; and strategic risks are associated with our strategic initiatives. These enterprise risks were monitored by our executive leadership team and reported on periodically to the Board of Directors.

We continued to monitor and assess the key risks posed to the Association's business model by ongoing geopolitical and economic uncertainty, as well as new risks and opportunities emerging from technologies such as generative AI.

Key enterprise risks

Risk	Mitigation/opportunity
Inability to diversify revenue beyond membership and non-membership income	▶ Continued investments in transformative initiatives such as the Dynamic Audit Solution, artificial intelligence, sustainability initiatives, and Client Advisory Services, which are likely to mature and create commercial opportunity. ▶ Cultivated expanded business-to-business sales and value propositions for business and industry. ▶ Expanded promotion of the CGMA designation in key markets, including the U.S. and China. ▶ Expanded designation pathways globally through the CGMA Finance Leadership Program and Registered Apprenticeship for Finance Business Partners program, and introduced the Registered Apprenticeship for Accounting and Finance Associate, an entry-level program.
AICPA & CIMA technology platform issues are not rectified in a timely manner	▶ Stabilized the AICPA & CIMA platform. ▶ Worked with new technology partners to address persistent issues, including payment acceptance.
Diminishing trust and value perception in CPA license and/or CGMA designation	▶ Continued efforts to preserve the value and relevancy of the CPA license and the CGMA designation, while also addressing the flexibility and accessibility of finance and accounting careers, through efforts such as the CGMA Professional Qualification update, the new CPA Exam, CPA licensure reform, and apprenticeship programs. ▶ Provided technical insights, resources, networking, volunteer opportunities, and advocacy promoting the role the profession plays in serving the public interest, serving clients, and amplifying careers. ▶ Showcased the profession's ability to address challenges and navigate a continually evolving global business environment, through thought leadership reports, efforts to gain STEM recognition, and insights sharing in areas such as artificial intelligence.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Risk	Mitigation/opportunity
Declining U.S. CPA pipeline	▶ Convened the National Pipeline Advisory Group (NPAG), which continued its listening tour and national survey in 2024 to more deeply examine root causes of the CPA pipeline decline and evaluate potential solutions. ▶ Engaged key stakeholders — including the National Association of State Boards of Accountancy (NASBA), state CPA societies, colleges, universities, and CPAs across the country — to navigate the talent challenge in the profession. That work included an exposure draft issued in fall 2024 on an alternative pathway concept. Feedback on that draft helped inform the proposed Uniform Accountancy Act changes outlined in early 2025, which aim to increase flexibility for CPA candidates and address concerns about education costs. ▶ Piloted the Experience, Learn and Earn program to offer affordable credits to working CPA candidates. ▶ Continued adapting marketing and engagement strategies across high school and college student populations to bolster our CPA pipeline.
Cyber threat to organization systems	▶ Ensured systems were monitored and consistently updated to protect against vulnerabilities. ▶ Implemented policies requiring strong, unique passwords and leveraged multi-factor authentication for an added layer of security for internal systems. ▶ Conducted regular training to help employees recognize and avoid phishing attempts, malware, and other online threats.
Inability of the profession to address changing needs of talent and employers	▶ Encouraged a reskilling culture profession-wide and provided tools and resources to help accounting and finance professionals build competencies. ▶ Offered the Transforming Your Business Model series of resources to help employers address areas such as strategy, talent, technology, governance, and service lines. ▶ Studied the widening gap between government policies, employer expectations, and employee needs within UK small- to medium-sized businesses (SMEs) to prepare to issue 2025 Mind the Skills Gap research. ▶ Expanded our ENGAGE series of conferences globally to foster learning.

Key performance indicators

Progress on our four outcomes is measured by a set of KPIs and targets*

Outcomes	KPIs	2023 Actuals	2024 Target	2024 Actuals	Discussion
Transformation – of the Profession	Relevance – Avg. revenue per individual[1]	$408/ individual	$408/ individual	$421/ individual	Higher revenue and slightly lower membership
	Reach – Total Association population[2]	597K	599K	580K	Lower CGMA registrants
Brand and Reputation	Association member satisfaction	7.0	7.0	7.3	Higher satisfaction driven by advocacy and focus on delivering relevant resources
Growth – Financial	Revenue	$340.8M	$328.1M	$335.1M	Strong performance of CGMA Finance Leadership Program (FLP), CGMA, and CPA Exam
	Operating income (loss)[3]	($5.7M)	$0	($3.7M)	Higher costs related to the technology vendor transition
Growth – Individuals Served	AICPA members	400K	400K	397K	In line with target
	CIMA members	116K	117K	114K	In line with target
	CGMA candidates	44K	49K	46K	In line with target
	CGMA registrants	37K	33K	23K	Focus on FLP and registrants more likely to progress through the learning and exams to membership
	CPA candidates	79K	61K	74K	Higher volume than expected following the new exam launch

1. Average Revenue Per Individual is total B2C revenue divided by total Association Population.
2. Total Association Population is the sum of AICPA members, CIMA members, CGMA candidates, and registrants. Does not include CPA candidates.
3. Operating loss does not include investment or pension gains/losses.

* Includes results of AICPA & CIMA. Does not reflect results of subsidiaries and related organizations included in the Combined Audited Financial Statements of the Association.

Net assets and financial position*

These combined financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Many readers of these financial statements from around the world are accustomed to financial statements being prepared under International Financial Reporting Standards (IFRS). As a result, the financial performance of some entities included in these combined financial statements has been converted from IFRS to U.S. GAAP. The primary differences between IFRS and U.S. GAAP affecting these financial statements are unrealized gains/(losses) on investments and actuarial pension gains/(losses), which are recorded in other comprehensive income for IFRS but are recorded in the statements of activities for U.S. GAAP.

For 2024, the Association's change in total net assets was an increase of $14 million. This increase was attributable to investment returns and donor restricted contributions related to the Center for Audit Quality's Accounting + initiative. We generated $424 million in gross revenue, offset by $418 million in expenses, an increase of net assets without donor restrictions of $6 million and a balance of $124 million as of December 31, 2024. The Association ended the year in a strong financial position, with cash and cash equivalents of $53 million and investments of $186 million. Further, we have access to a $70 million line of credit for any short-term operating needs.

The AICPA and CIMA pension plans remain within their respective founding membership bodies. In 2024, the AICPA pension plan began the termination process and, subsequent to year-end, will, liquidate the plan assets, pay lump sums to certain participants and annuitize the remaining participant liability to an insurance company. The AICPA plan generated a pension loss of $4.6 million primarily due to the estimated annuitization of the plan liabilities.

The CIMA plan generated a pension gain of $0.8 million, driven by change in actuary assumptions due to an increase in the plan's discount rate and was in a net funded status of $0.1 million. The CIMA plan is frozen and closed to future accruals, and CIMA has committed to meeting at least minimum funding levels under agreed-upon plans to ensure adequate funding in the future.

The following commentary describes the revenues and associated expenses within our combined statements of activities.

Member, firm services, and partner solutions

Revenue consists of member and student subscriptions and dues from CIMA and the AICPA, including section and advisory credential memberships; dues from firm services focusing on audit quality and delivering resources to firms; partner solutions that target the practice management of CPA firms; and our Peer Review program. As a reminder, members of AICPA and CIMA have automatic dual membership in the Association as part of their regular membership fees. Expenses include investments in resources and benefits that help our members thrive in their careers.

* Includes Association, AICPA, CIMA, the Private Companies Practice Section, the Center for Audit Quality, the AICPA Foundation and Benevolent Fund, the CIMA Benevolent Fund, and CPA.com.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Global learning
Revenue is derived from our key strategic initiative to lead the global accounting and finance profession in competency development and lifelong learning. We advance this mission by delivering thought leadership; experiences; and learning products and services such as in-person events, online learning events, and competency-enhancing resources. These resources help professionals and their organizations navigate a rapidly changing firm and business environment. Expenses associated with global learning are costs to develop and deliver these resources as well as our continued investment in innovative, frictionless learning experiences that engage people in the profession overall.

Professional examinations
Revenue consists of fees for our CPA, CGMA, and advisory credential exams. Expenses include costs to maintain, develop, and grade the exams, as well as fees paid to our partners to administer the exams.

Affinity, advertising, and other
Revenue is generated from our member discount programs and advertising revenue through our various digital magazines and websites.

Contributions and contributed services
Revenue for the AICPA Benevolent Fund, the CIMA Benevolent Fund, and the AICPA Foundation is generated primarily from member contributions.

Investment return, net of expenses
Revenue is generated from our investment portfolio and includes realized and unrealized gains (losses) as well as dividend and interest income and is net of investment expenses.

Communications, public relations, and advocacy
Expenses related to the Association's strong commitment to raising the profile of the accounting profession and recognition for our members and their designations include a wide range of activities: integrated advertising campaigns, public relations programs, and extensive advocacy. Other expenses include investments related to supporting audit quality; CPA Evolution; professional ethics; environmental, social and corporate governance matters; and the future of finance.

Inclusion, scholarships, and assistance
Expenses related to the Association's inclusion programs are key to long-term success and growth in driving a dynamic accounting profession worldwide. Expenses also include scholarships for students pursuing degrees in the accounting and finance profession and financial assistance to AICPA and CIMA members who are in temporary financial need due to hardship.

Supporting services
Supporting expenses include general management and membership development. General management expenses include all expenses required to support the operations of the Association and are not allocable to program services. Membership development includes expenses within our Global Engagement Center to support our members.

Executive remuneration

The Association seeks to attract and retain talented leaders to develop and execute its strategy. A total compensation package for the CEO and the senior leadership team comprises base compensation, performance-related compensation, and benefits. Total compensation levels and practices are based on both internal fairness and local market practices in the territories where the Association operates and employees reside.

The Remuneration and Talent Committee of the Board of Directors provides oversight of executive compensation through its charter by:

- Ensuring that employee compensation and pay practices are consistent with the Association's Total Reward Philosophy and competitive practices
- Aligning compensation with the long-term success and sustainability of the organization
- Reviewing and approving goals established for the Association CEO
- Assessing annual performance against such goals and the strategic plan
- Establishing the total compensation of the CEO, including the level of performance-related compensation based on the assessment of annual performance
- Reviewing the total compensation of the Association's senior leadership team
- Using an independent compensation consultant to provide analysis of market compensation practices

To comply with IRS regulations, the Association is required to disclose the compensation for up to 20 key employees, as defined, and its five current highest compensated employees, as defined, on its annual tax return (Form 990, Return of Organization Exempt from Income Tax). Form 990 can be found on websites such as GuideStar. The filing due date for the Association's Form 990 is May 15. However, the Association has filed a request to extend the deadline.

Financials

Association of International Certified Professional Accountants and Related Organizations

Combined Financial Statements and Independent Auditor's Report

December 31, 2024 and 2023

Independent Auditor's Report

To the Audit and Finance Committee
Association of International Certified Professional Accountants

Opinion

We have audited the combined financial statements of Association of International Certified Professional Accountants and Related Organizations, which comprise the combined statements of financial position as of December 31, 2024 and 2023, and the related combined statements of activities, net assets, and preferred stock and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of Association of International Certified Professional Accountants and Related Organizations as of December 31, 2024 and 2023, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Association of International Certified Professional Accountants and Related Organizations and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Association of International Certified Professional Accountants and Related Organizations' ability to continue as a going concern for one year after the date that the combined financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Association of International Certified Professional Accountants and Related Organizations' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Association of International Certified Professional Accountants and Related Organizations' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the management discussion and analysis but does not include the combined financial statements and our auditor's report thereon. Our opinion on the combined financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the combined financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the combined financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

CohnReznick LLP

Holmdel, New Jersey
May 5, 2025

Financial statements

Association of International Certified Professional Accountants and Related Organizations	Combined Statements of Financial Position December 31, 2024 and 2023 ($000)

Assets	2024	2023
Cash and cash equivalents	$ 52,785	$ 38,015
Receivables, net	22,798	24,279
Contract asset	3,786	7,214
Contributions receivable	16,634	60
Deferred costs and prepaid expenses	21,836	21,641
Investments	185,831	187,253
Building, furniture, equipment and leasehold improvements, net	14,915	15,919
Operating lease, right-of-use assets, net	49,088	51,732
Software and technology, net	60,950	68,527
Other investments	25,130	16,905
Goodwill, net	6,398	7,877
Total assets	$ 460,151	$ 439,422
Liabilities		
Accounts payable and other liabilities	$ 62,963	$ 68,984
Line of credit	9,448	–
Advanced dues	95,956	92,024
Unearned revenue	45,618	40,896
Operating lease liability	63,436	67,960
Deferred employee benefits	17,319	17,164
Accrued software development costs	–	1,227
Total liabilities	294,740	288,255
Preferred stock and net assets		
Preferred stock	7,500	7,500
Net assets with donor restrictions	33,972	25,380
Net assets without donor restrictions	123,939	118,287
Total preferred stock and net assets	165,411	151,167
Total liabilities, preferred stock and net assets	$ 460,151	$ 439,422

See Notes to Combined Financial Statements

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Combined Statements of Activities, Net Assets, and Preferred Stock
For the Years Ended December 31, 2024 and 2023
($000)

	2024	2023
Changes in net assets without donor restrictions		
Member, firm services and partner solutions	$ 240,069	$ 238,502
Global learning	82,530	76,534
Professional examinations	35,315	47,512
Affinity, advertising and other	17,235	16,731
Contributions	1,267	1,014
Investment return, net of expenses	25,822	24,041
Total revenue and gains without donor restrictions	402,238	404,334
Net assets released from restrictions	21,372	17,716
Total revenue, gains and other support without donor restrictions	423,610	422,050
Operating expenses		
Program expenses		
Member, firm services and partner solutions	179,324	174,525
Global learning	74,373	72,072
Professional examinations	37,366	50,161
Communications, public relations and advocacy	39,899	43,424
Inclusion, scholarships and assistance	32,813	27,990
Total program expenses	363,775	368,172
Supporting activities		
General management	41,227	36,604
Membership development	10,034	10,610
Total supporting activities	51,261	47,214
Total operating expenses	415,036	415,386
Change in net assets without donor restrictions from operations	8,574	6,664
Pension and postretirement benefit loss	(3,095)	(2,749)
Translation adjustment	173	(896)
Change in net assets without donor restrictions	5,652	3,019
Net assets without donor restrictions, beginning	118,287	115,268
Net assets without donor restrictions, ending	$ 123,939	$ 118,287

See Notes to Combined Financial Statements

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Combined Statements of Activities, Net Assets, and Preferred Stock
For the Years Ended December 31, 2024 and 2023
($000)

	2024	2023
Changes in net assets with donor restrictions		
Contributions	$ 29,964	$ 530
Net assets released from restrictions	(21,372)	(17,716)
Change in net assets with donor restrictions	8,592	(17,186)
Net assets with donor restrictions, beginning	25,380	42,566
Net assets with donor restrictions, ending	$ 33,972	$ 25,380
Change in net assets	$ 14,244	$ (14,167)
Preferred stock	$ 7,500	$ 7,500
Change in preferred stock and net assets	$ 14,244	$ (14,167)
Preferred stock and net assets, beginning	151,167	165,334
Preferred stock and net assets, ending	$ 165,411	$ 151,167

See Notes to Combined Financial Statements

($000)

	2024	2023
Reconciliation of change in net assets to net cash provided by operating activities:		
Change in net assets:	$ 14,244	$ (14,167)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization:		
Building, furniture, equipment and leasehold improvements	4,281	4,679
Software and technology	24,272	21,451
Goodwill	1,479	1,478
Noncash lease expense	7,725	7,502
Loss on disposal of assets	225	245
(Gain) on investments	(20,465)	(18,723)
Deferred taxes	(1,399)	466
Provision for:		
Receivables	374	150
Deferred employee benefits	4,062	3,754
Changes in operating assets and liabilities:		
Receivables	585	(6,611)
Contract asset	(7,154)	(3,547)
Contributions receivable	(16,574)	26,733
Deferred costs and prepaid expenses	1,134	(5,196)
Accounts payable and other liabilities	(5,372)	8,757
Advanced dues	4,340	8,484
Unearned revenue	5,080	6,021
Deferred employee benefits	(3,914)	(3,707)
Operating lease liability	(9,485)	(9,423)
Accrued software development costs	(1,227)	(21,795)
Total adjustments	(12,033)	20,718
Net cash provided by operating activities	2,211	6,551
Investing activities:		
Payments for purchase of software and technology	(16,797)	(20,307)
Payments for purchase of building, furniture, equipment and leasehold improvements	(3,434)	(732)
Payments for purchase of other investments	(650)	(1,335)
Payments for purchase of investments	(58,761)	(62,508)
Proceeds from sale of other investments	–	350
Proceeds from sale and maturity of investments	83,601	55,731
Net cash provided by (used in) investing activities	3,959	(28,801)

See Notes to Combined Financial Statements

($000)

	2024	2023
Financing activities:		
Borrowings on line of credit	9,448	–
Net cash provided by financing activities	9,448	–
Effect of exchange rates on cash and cash equivalents	(848)	1,258
Net increase (decrease) in cash and cash equivalents	14,770	(20,992)
Cash and cash equivalents, beginning	38,015	59,007
Cash and cash equivalents, ending	$ 52,785	$ 38,015
Supplemental disclosures of noncash investing activities:		
Furniture, technology and internal software	$ –	$ 1,786
Right-of-use assets	$ 5,263	217
Contract asset settled via equity instruments:	$ 10,582	–

See Notes to Combined Financial Statements

Notes to Combined Financial Statements

December 31, 2024 and 2023

Note 1 — Organization

The combined financial statements include the accounts of the Association of International Certified Professional Accountants, American Institute of Certified Public Accountants ("AICPA"), The Chartered Institute of Management Accountants ("CIMA"), Association of International Certified Professional Accountants, UK ("Association UK") and their subsidiaries and related organizations, which have been combined in accordance with accounting standards for not-for-profit ("NFP") organizations. As used herein, the "Association" includes all such entities.

The Association is a global membership organization whose mission and vision is to be the most influential body of professional accountants driving a dynamic accounting profession worldwide. The Association launched on January 1, 2017, with the AICPA and CIMA as founding members. Members of the AICPA and CIMA are also members of the Association. The Association is organized as a NFP organization domiciled in the United States of America ("U.S.").

The AICPA is the national professional organization for Certified Public Accountants ("CPAs") and is organized as a NFP organization domiciled in the U.S..

MAPAGlobal SDN.BHD ("MAPA"), a wholly-owned subsidiary of the Association of International Certified Professional Accountants, was incorporated on May 23, 2018. MAPA is the global business services group of the Association based in Malaysia.

CIMA is the global professional body of management accountants and is incorporated by Royal Charter and domiciled in the United Kingdom ("UK").

The Association UK is a cost-sharing group providing services to CIMA. CIMA and the Association have 51 and 49 votes within the Association UK.

Subsidiaries and Combined Related Organizations of the AICPA
CPA.com, Inc. ("CPA.com") brings innovative partner solutions to the accounting profession, directly through development or in partnership with leading technology providers. The company is an established thought leader on emerging technologies and a trusted business adviser to practitioners in the U.S., with a growing global focus. CPA.com is also responsible for managing certain affinity programs for the Association. The AICPA owns the controlling interest in CPA.com.

The mission of the Accounting Research Association, Inc. ("ARA") is to provide funds for studies and research in regard to principles and standards of the accounting profession.

The AICPA Benevolent Fund provides temporary financial assistance to members of the AICPA and their families.

The AICPA Foundation's ("Foundation") mission is to advance the science of accountancy and to develop and improve accountancy education (see Note 13).

The AICPA and State Societies Network, Inc., composed of substantially all of the individual state societies of CPAs located throughout the U.S., are equal percentage members of Shared Services, LLC ("SSLLC"), a Delaware limited liability company, organized for the purpose of managing shared services between the AICPA and participating state societies. The AICPA accounts for its 50% investment in SSLLC on the equity method, although the investment remains at zero as of December 31, 2024 and 2023. SSLLC maintains a limited amount of activity, principally group buying power on certain products and services for the benefit of the AICPA and participating state societies. SSLLC's Board of Directors continues to explore additional opportunities to fulfill its mission.

Related Organizations of CIMA

The CIMA Benevolent Fund provides assistance to CIMA members and ex-members and their families in times of hardship. The CIMA Benevolent Fund has been restructured into a charitable incorporated organization ("CIO") and all required activities to transfer assets and operations to CIO have been officially completed as of August 31, 2023. The former entity is no longer in operation and all future engagements are made solely through the CIO.

The Anthony Howitt Lecture Trust's mission is to advance education in management accountancy and related subjects.

Note 2 – Summary of significant accounting policies

Basis of presentation

The preparation of combined financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

All significant intercompany accounts and transactions have been eliminated in combination.

Financial statement presentation follows the accounting standards requirements for NFP organizations. Under these standards, an organization is required to report information regarding its financial position and activities according to two classes of net assets depending on the existence and/or nature of any donor restrictions as follows: net assets without donor restrictions and net assets with donor restrictions.

Valuation of assets and liabilities

The Association considers investments with an original maturity of 90 days or less when purchased to be cash equivalents. As of December 31, 2024 and 2023, the Association's cash equivalents consisted primarily of short-term U.S. Treasury obligations and money market funds.

Investments in equity securities with readily determinable fair values and all investments in debt securities and investment partnerships are reported at fair value with unrealized gains and losses included in the combined statements of activities, net assets, and preferred stock. The investment partnership represents ownership in a private investment partnership that trades global equity securities under the direction of asset managers.

The Association also has investments in nonmarketable equity securities where it exercises less than significant influence and there is no readily determinable fair value; for this situation the Association applies the cost method of accounting, adjusted for impairments and observable price changes in orderly transactions and are classified as Other investments on the combined statements of financial position. During the year ended December 31, 2024, there were additional rounds of financing for certain investments, which resulted in observable price changes and an unrealized gain of $6,991,000.

The Association impairs an investment and recognizes a loss if and when events or circumstances indicate there is impairment in the investment that is other-than-temporary. The Association evaluates investments in nonmarketable securities for impairment utilizing Level 3 fair value inputs.

The Association holds certain strategic investments in debt securities. These investments are carried at fair value and classified as trading securities and presented in Investments on the combined statements of financial position. As of December 31, 2024 and 2023, the Association had $1,042,000 and $500,000 in such securities.

According to Accounting Standards Update ("ASU") No. 2014-02, *Intangibles – Goodwill and Other (Topic 350): Accounting for Goodwill*, an entity that elects the accounting alternative is further required to make an accounting policy election to test goodwill for impairment at either the entity level or the reporting unit level. The Association elected to test goodwill for impairment at the entity level. Further, according to ASU No. 2014-02, goodwill should be tested for impairment when a triggering event occurs that indicates that the fair value of an entity may be below its carrying amount. Since no triggering event indicating that the fair value of an entity may be below its carrying amount occurred, no further analysis was required.

Goodwill represents the excess of the purchase price over the fair value of net assets acquired in business acquisitions that occurred after July 1, 2002 and are accounted for under the purchase accounting method.

Building, furniture, equipment and leasehold improvements are stated at cost, less accumulated depreciation or amortization computed on the straight-line method. Furniture and equipment are depreciated over their estimated useful lives of 3 to 10 years. Leasehold improvements are amortized over the shorter of their useful lives or the remainder of the lease period. Freehold/leasehold building is depreciated over a period of 40 to 50 years on a straight-line basis. The Association capitalizes expenditures in excess of $1,000 for computers, $5,000 for furniture and equipment and $15,000 for leasehold improvements at cost.

Software and technology are stated at cost, less accumulated amortization computed on the straight-line method. Software development is amortized over its estimated useful life of 3 to 5 years. The Association capitalizes expenditures in excess of $15,000 for software and technology at cost.

Leases

The Association applies Accounting Standards Codification ("ASC") 842, *Leases*, in determining whether an arrangement is or contains a lease at the lease inception. An arrangement is considered to include a lease if it conveys the right to control the use of identified property, plant or equipment for a period of time in excess of 12 months in exchange for consideration. The Association defines control of the asset as the right to obtain substantially all of the economic benefits from use of the identified asset as well as the right to direct the use of the identified asset. The Association further determines all the existing leases are operating leases, which are included in Operating lease, right-of-use ("ROU") assets, net and Operating lease liability in the combined statements of financial position. ROU assets represent the Association's right to use leased assets over the term of the lease. Lease liabilities represent the Association's contractual obligation to make lease payments and are measured at the present value of the future lease payments over the lease term. ROU assets are calculated as the present value of the future lease payments adjusted by any deferred rent liability and lease incentives. ROU assets and lease liabilities are recognized at the lease commencement date. The Association uses the rate implicit in the lease if it is determinable. When the rate implicit in the lease is not determinable, the Association uses the incremental borrowing rate at the lease commencement date to determine the present value of the future lease payments. Lease terms may include renewal or extension options to the extent they are reasonably certain to be exercised. Lease expense is recognized on a straight-line basis over the lease term. To the extent a lease arrangement includes both lease and non-lease components, the components are accounted for separately (see Note 9).

On an annual basis, the Association performs a review of all current leases held for impairment. For the years ended December 31, 2024 and 2023, no impairment was indicated.

Concentrations of credit risk

Financial instruments, which potentially subject the Association to concentrations of credit risk, include cash and cash equivalents, investments and receivables. At December 31, 2024 and 2023, balances on deposit at U.S. financial institutions exceeded Federal Deposit Insurance Corporation ("FDIC") insured limits. Cash equivalent amounts in sweep investment accounts are not insured nor guaranteed by the FDIC. The Association maintains its significant cash balances with a high-quality financial institution which the Association believes limits these risks.

Credit risk with respect to receivables is also limited because the Association deals with a large number of customers in a wide geographic area. The Association closely monitors the extension of credit to its customers while maintaining allowances for potential credit losses. On a periodic basis, the Association evaluates its receivables and establishes an allowance for expected credit losses, based on a history of past write-offs and collections and current credit considerations. The allowance for expected credit losses reduces the carrying value of the receivables to the net amount expected to be collected. As of December 31, 2024 and 2023, the allowance for expected credit losses was $1,099,000 and $714,000.

Mortgages received by the AICPA Benevolent Fund in connection with assistance payments to members and their families are recorded as assets, net of amounts deemed uncollectible. Mortgages are noninterest bearing and are due upon the death of the member and spouse and/or sale of the mortgaged property. Credit risk with respect to receivables is limited because the AICPA Benevolent Fund secures mortgages from a limited number of payment recipients in a wide geographic area. The AICPA Benevolent Fund closely monitors the extension of mortgages to its members while maintaining allowances for potential losses. On a periodic basis, the AICPA Benevolent Fund evaluates its receivables and establishes an allowance for expected credit losses, based on a history of past write-offs, market value of mortgaged properties, collections and current credit considerations.

Derivatives

The Association utilizes derivative financial instruments to hedge its exposure to foreign exchange risks arising from operational activities. The Association does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments. The Association recognizes all derivatives as either assets or liabilities in the combined statements of financial position and measures those instruments at fair value. Changes in the fair value of those instruments are reported in the combined statements of activities, net assets, and preferred stock.

The Association entered into foreign exchange contracts in 2024 and 2023 to mitigate against potential losses on certain expenditures. The notional amounts of the foreign exchange contracts for 2024 and 2023 were $31,518,000 and $21,836,000, and all contracts expire in 2025.

The gain/(loss) recognized in Supporting activities – General management in the combined statement of activities, net assets, and preferred stock for 2024 and 2023 was $(875,000) and $116,000.

Revenue recognition

Member, firm services and partner solutions

Revenue consists of member, candidate and registrant dues from AICPA and CIMA, including section and credential memberships, dues from Firm Services focusing on audit quality and delivering resources to firms, partner solutions and the Peer Review program.

Dues revenue from members, candidates, registrants and firms include access to a multitude of benefits. Access to these benefits is voluntary and can occur during the membership period and are treated as part of the membership itself, rather than multiple performance obligations. The Association recognizes revenue over the membership period.

For membership-based revenue recognized over time, the straight-line method is used to allocate the performance obligations over the performance measurement period. The Association determined that this method provides a faithful depiction of the transfer of goods or services because the customer is required to pay regardless of how frequently the product or membership benefits are used, and the Association stands ready to make its goods or services available to the customer on a constant basis over the contract period.

Partner solutions provided by CPA.com include sales and marketing services to technology vendors who want to offer their products to accounting firms. The technology vendors receive the benefit of sales and marketing services over time. Revenue consists of a mix of fixed fee and subscription services. Revenue from fixed fee and subscription services is recognized ratably over time.

Peer Review services are required for firms and individuals that are members of the AICPA who are engaged in the practice of public accounting in the U.S. or its territories and if the services they provide are within the scope of the AICPA's practice monitoring standards, they issue reports purporting to be in accordance with the AICPA professional standards or are required to undergo Peer Review services by their State Board of Accountancy. Revenue is recognized over the period services are rendered.

Global learning
Revenue is derived from the Association delivering thought leadership, learning products and services such as in-person events, online learning events and competency enhancing resources. Revenue generated from sales of physical products and e-books is recognized when the goods are shipped, or access is granted. Subscription based products provide access over a specified period of time. Revenue is recognized over the access period, which is predominately a one-year period. In-person events such as conferences, group study and member service events are recognized when the event occurs.

Professional examinations
Professional examinations revenue consists of fees earned for examinations which include the CPA and Chartered Global Management Accountant ("CGMA") exams. The Association recognizes revenue when the examination results are released.

Affinity, advertising and other
Revenue is derived from member programs, advertising revenue through various digital magazines and websites and a sponsorship fee from an affiliated party (see Note 14).

Revenue for member programs and sponsorships is recognized when the sale occurs by the affinity partner and advertising revenue is recognized when the advertisement is placed.

Revenue disaggregation
In accordance with ASU No. 2014-09, the Association disaggregates revenue from contracts with customers into major revenue streams and the timing of recognizing revenue.

Revenue generated from memberships and subscriptions is primarily recognized over the performance obligation period, while the revenue generated from examinations, affinity, advertising and other event-based programs is recognized at a point-in-time. The revenue disaggregated by the timing of recognition for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
	($000)	
Point-in-time	$ 104,425	$ 115,753
Over time	270,724	263,526
	$ 375,149	$ 379,279

Contract balances

The timing of revenue recognition, billings and cash collections results in contract assets, receivables, and contract liabilities. Contract assets exist when the entity has a contract with a customer for which revenue has been recognized but customer payment is contingent on a future event. The Association's revenue is based on delivered goods and services and is generally limited to amounts that are not contingent on future events, therefore, not resulting in a contract asset being recorded for most revenue sources. The Association had contract assets of $3,667,000 as of January 1, 2023. The Association records receivables when the right to consideration becomes unconditional and are presented separately in the combined statements of financial position. The Association had contract receivables, net of allowance for expected credit losses of $17,799,000 as of January 1, 2023. Contract liabilities include advanced dues and unearned revenue when the Association receives payment from customers before revenue is recognized and are presented separately in the combined statements of financial position. The Association had contract liabilities of $117,080,000 as of January 1, 2023.

Payment terms

The majority of the payment terms of the Association's revenue streams are billed in advance of the performance obligation including member, candidate and registrant dues, firm services, global learning, CPA and CGMA exams and advertising. All other revenue streams are collected in arrears with terms generally net thirty days.

The AICPA entered into a third-party agreement that provides for the AICPA to break-even with regards to revenue earned and certain external and internal costs incurred in developing, maintaining and providing the computerized Uniform CPA Examination in jurisdictions ("Jurisdictions") recognized as member bodies of the National Association of State Boards of Accountancy ("NASBA"), referred to as the Domestic Examination. Accordingly, such revenue or costs have been deferred and are reflected in the accompanying combined statements of financial position net of revenue or cost recognized (see Note 10). The AICPA also entered into a third-party agreement ("International Examination Agreement") for the AICPA to provide the computerized Uniform CPA Examination, on behalf of the Jurisdictions, to select international locations ("International Examination"). The International Examination Agreement does not provide for the AICPA to break-even; accordingly, revenues and costs are recognized as earned or incurred.

Contributions and other assets are recorded with or without donor restrictions when received depending on the existence of any restrictions. Conditional promises to give are not included as support until the conditions are substantially met.

A number of people have contributed significant amounts of time to the activities of the Association. The combined financial statements do not reflect the value of these contributed services because they do not meet the criteria for recognition.

Promotions and advertising
Costs of promotions and advertising are expensed as incurred. Total promotion and advertising expenses for the years ended December 31, 2024 and 2023 were $5,630,000 and $7,538,000.

Software and technology costs
All costs incurred in the planning stage of developing a website are expensed as incurred as are internal and external training costs and maintenance costs. Fees, such as licensing and hosting, including software as a service, are expensed over the period of benefit.

External and internal costs, excluding general and administrative costs and overhead costs, incurred during the application development stage of internal use software and technology are capitalized. Such costs include external direct costs of materials and services consumed in developing or obtaining software and technology, payroll and payroll-related costs for employees who are directly associated with and who devote time to developing software and technology, and interest costs incurred while developing software and technology. Upgrades and enhancements that result in additional functionality to the software and technology, which enable it to perform tasks that it was previously incapable of performing, are also capitalized.

Capitalized internal use software and technology development costs are amortized on the straight-line method over their estimated useful lives of a three to five-year period and begins when all substantial testing of the software and technology are completed, and the software and technology are ready for their intended use.

Development costs incurred in creating software and technology for sale are expensed until technological feasibility is established. Thereafter, all software and technology development costs incurred are capitalized and subsequently recorded at the amortized cost. Capitalized costs are amortized on the straight-line method over a five-year period.

On at least an annual basis, the Association performs a review of its capitalized costs for impairment. For the years ended December 31, 2024 and 2023, no impairment was indicated.

Income taxes
The Association, AICPA, and ARA are organized as 501(c)(6) NFP organizations under the Internal Revenue Code (the "Code"). Certain income of the AICPA, however, is subject to taxation. The AICPA Benevolent Fund and Foundation are organized as 501(c)(3) NFP organizations under the Code. CPA.com is organized as a for-profit entity.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

CIMA incurs corporation tax on trading profits, chargeable gains and investment income less any charitable donations by way of gift aid; membership and examination income are not subject to corporation tax. CIMA is also subject to tax in a number of the non-UK markets. CIMA's associated charities are not subject to tax. A provision is made for deferred taxation to the extent that material temporary differences are expected to reverse in future periods. No provision for deferred taxation existed as of December 31, 2024 and 2023.

The Association has analyzed tax positions taken for filing with the Internal Revenue Service of the U.S. and His Majesty's Revenue and Customs of the UK as well as any other jurisdictions where it operates. The Association does not anticipate any adjustments that would result in a material adverse effect on the Association's financial condition, results of operations or cash flows. Federal income tax returns related to U.S. domiciled entities as well as UK tax returns prior to December 31, 2021 are closed. Management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

CPA.com accounts for income taxes pursuant to the asset and liability method, which requires deferred income tax assets and liabilities to be computed annually for temporary differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the temporary differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized (see Note 11).

The Association's policy on classification of interest and penalties is to include these amounts in Supporting activities – General management in the accompanying combined statements of activities, net assets, and preferred stock. The Association does not have any material uncertain tax positions during the years ended December 31, 2024 and 2023 and has not accrued any interest or penalties related to unrecognized tax positions. The Association has not identified any material ASC 740 liabilities.

Employee benefit plans

The AICPA sponsors a postretirement benefit plan and both the AICPA and CIMA sponsor defined benefit pension plans. The plans' assets and benefit obligations are measured, and the funded status of these plans are reported, in the combined statements of financial position at December 31, 2024 and 2023 (see Note 12).

Note 3 – Liquidity resources

The Association's primary revenue sources are its fees associated with members, candidates and registrants which are included in Member, firm services and partner solutions on the combined statements of activities, net assets, and preferred stock and revenues from Global learning and Professional examinations. This includes leading the global accounting and finance profession in competency development and lifelong learning including thought leadership, experiences, products and services. These resources help professionals and the organizations in which they work to succeed as they navigate a rapidly changing business environment.

The Association has various sources of liquidity at its disposal, including cash and cash equivalents, investments and a $70,000,000 line of credit.

The following table reflects the Association's financial assets as of December 31, 2024 and 2023 reduced by amounts that are not available to meet general expenditures within one year of the combined statements of financial position date because of contractual restrictions or internal board designations. Amounts not available to meet general expenditures within one year also may include net assets with donor restrictions.

	2024	2023
	($000)	
Cash and cash equivalents	$ 52,785	$ 38,015
Receivables, net	22,798	24,279
Contract asset	3,786	7,214
Contributions receivable	16,634	60
Investments	184,789	186,753
Total financial assets	280,792	256,321
Investment collateral related to letter of credit	263	430
Trustee designated for Accounting Doctoral Scholarship Program (see Note 13)	139	549
Investment collateral related to credit limit (see Note 10)	1,376	2,184
Net assets with donor restrictions	33,972	25,380
Financial assets available to meet cash needs for general expenditures within one year	$ 245,042	$ 227,778

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Note 4 — Functional expenses

The costs of program and supporting activities have been summarized on a functional basis in the table below:

2024 ($000)

	Program Expenses					Supporting Activities		
	Member Firm Services & Partner Solutions	Global Learning	Professional Examinations	Communications, Public Relations & Advocacy	Inclusion, Scholarships & Assistance	General Management	Membership Development	Total
People costs	$ 90,283	$ 27,449	$ 12,972	$ 23,428	$ 3,029	$ 19,725	$ 5,336	$ 182,222
Cost of goods sold	11,749	29,860	3,892	–	–	–	–	45,501
Selling expense	2,887	1,508	137	153	190	–	–	4,875
Occupancy	5,292	2,078	1,301	3,105	261	1,304	925	14,266
Meetings and travel	9,496	710	410	549	435	288	19	11,907
Office expense	1,435	487	259	382	77	503	328	3,471
Professional fees	34,124	8,487	13,670	8,792	23,767	12,485	3,037	104,362
Organizational support	5,699	15	12	282	2,383	1	–	8,392
Depreciation and amortization	13,265	2,966	2,358	2,878	2,598	2,577	324	26,966
Other	5,094	813	2,355	330	73	4,344	65	13,074
Total	$ 179,324	$ 74,373	$ 37,366	$ 39,899	$ 32,813	$ 41,227	$ 10,034	$ 415,036

2023 ($000)

	Program Expenses					Supporting Activities		
	Member Firm Services & Partner Solutions	Global Learning	Professional Examinations	Communications, Public Relations & Advocacy	Inclusion, Scholarships & Assistance	General Management	Membership Development	Total
People costs	$ 88,262	$ 25,227	$ 18,346	$ 24,737	$ 2,917	$ 18,925	$ 4,988	$183,402
Cost of goods sold	11,585	30,149	3,610	–	–	–	–	45,344
Selling expense	3,843	1,606	284	253	201	2	–	6,189
Occupancy	4,871	1,884	1,783	2,896	212	979	802	13,427
Meetings and travel	7,424	712	481	896	301	155	9	9,978
Office expense	1,787	472	272	379	59	398	317	3,684
Professional fees	33,317	9,024	19,295	10,680	20,109	9,590	4,108	106,123
Organizational support	5,719	18	14	176	2,118	–	–	8,045
Depreciation and amortization	12,828	2,600	3,126	2,925	1,965	2,575	291	26,310
Other	4,889	380	2,950	482	108	3,980	95	12,884
Total	$ 174,525	$ 72,072	$ 50,161	$ 43,424	$ 27,990	$ 36,604	$ 10,610	$ 415,386

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Management has reviewed all overhead costs and determined that it is appropriate to allocate a portion of these costs to Program expenses and/or Supporting activities. Information technology costs have been allocated to Program expenses and/or Supporting activities based on headcount. Certain facilities costs have been allocated to Program expenses and/or Supporting activities based on headcount and location. Overhead costs allocable to Membership development have been allocated based on headcount. Certain overhead costs specific to Program expenses have been allocated based on the direct costs incurred by each program as a percentage of total direct Program expense costs.

Note 5 — Fair value measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the least priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the assets or liabilities; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Mutual funds and Exchange traded funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Association are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily Net Asset Value ("NAV") and to transact at that price. The mutual funds and exchange traded funds held by the Association are deemed to be actively traded.

Investment in private companies: The valuation reflects the Association's best estimate of what the market participants would use in pricing at the reporting date. The Association engaged a third-party valuation firm in September 2023 to determine the fair value of the convertible instrument. For the newly purchased convertible instruments in the reporting year, the Association believes the purchase price approximates fair value. The fair value measurement considers various exit options for the convertible note including the impact of those options on the principal and interest of the convertible note. The various exit options were discounted to present value using a market based discount rate and probability estimate in order to determine a fair value estimate.

Private equity investments: The Association's private equity investments include a direct investment in a limited partnership. The NAV, as provided by the limited partnership, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

To estimate the fair value of the foreign exchange contracts as of the measurement date, the Association obtains inputs other than quoted prices that are observable for the derivatives. These inputs include current foreign exchange rates and consider nonperformance risk of the Association and that of its counterparties. Derivatives measured at fair value are included within Accounts payable and other liabilities within the combined statements of financial position.

The following tables set forth by level, within the fair value hierarchy, the Association's assets and derivatives at fair value as of December 31, 2024 and 2023:

	Assets (liabilities) at fair value as of December 31, 2024 ($000)			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 149,026	$ –	$ –	$ 149,026
U.S. government issues	9,030	–	–	9,030
Exchange traded funds	6,603	–	–	6,603
Unit trusts	3,510	–	–	3,510
Investments in private companies	–	–	1,042	1,042
Total assets in the fair value hierarchy	168,169	–	1,042	169,211
Investments measured at NAV (a)	–	–	–	16,620
Total investments measured at fair value	$ 168,169	$ –	$ 1,042	$ 185,831
Financial derivative instruments Foreign exchange contracts	$ –	$ (875)	$ –	$ (875)
Total derivatives measured at fair value	$ –	$ (875)	$ –	$ (875)

	Assets (liabilities) at fair value as of December 31, 2023 ($000)			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 130,481	$ –	$ –	$ 130,481
U.S. government issues	37,430	–	–	37,430
Exchange traded funds	487	–	–	487
Unit trusts	3,402	–	–	3,402
Investments in private companies	–	–	500	500
Total assets in the fair value hierarchy	171,800	–	500	172,300
Investments measured at NAV (a)	–	–	–	14,953
Total investments measured at fair value	$ 171,800	$ –	$ 500	$ 187,253
Financial derivative instruments Foreign exchange contracts	$ –	$ 116	$ –	$ 116
Total derivatives measured at fair value	$ –	$ 116	$ –	$ 116

(a) In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the combined statements of financial position.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Association classifies its fixed income securities as available-for-sale ("AFS") in accordance with ASC 320, *Investments – Debt Securities*. The AFS securities are reported at fair value and classified as Investments on the combined statements of financial position. The Association uses the specific identification method for determining realized gains and losses on sales of AFS securities. The cost of securities sold is based on the specific identification method and realized gains and losses are included in Investment return, net of expenses in the combined statements of activities, net assets, and preferred stock. For the years ended December 31, 2024 and 2023, proceeds from sales and maturities of AFS securities were $26,601,000 and $10,073,000.

The following table summarizes the amortized cost basis, allowance for credit loss, gross unrealized gains (losses) and fair value of investments in debt securities classified as AFS as of December 31, 2024 and 2023:

	December 31, 2024 ($000)			
	Amortized cost basis	Gross unrealized gains	Gross unrealized loss	Fair value
U.S. treasury issues	$ 8,609	$ 421	$ –	$ 9,030

	December 31, 2023 ($000)			
	Amortized cost basis	Gross unrealized gains	Gross unrealized loss	Fair value
U.S. treasury issues	$ 37,224	$ 228	$ (22)	$ 37,430

The following table summarizes the amortized cost basis and fair value of the AFS securities by contractual maturity as of December 31, 2024 and 2023:

	December 31, 2024 ($000)	
	Amortized cost basis	Fair value
Less than 1 year	$ 4,258	$ 4,439
1 to 5 years	4,351	4,591
	$ 8,609	$ 9,030

	December 31, 2023 ($000)	
	Amortized cost basis	Fair value
Less than 1 year	$ 27,566	$ 27,793
1 to 5 years	9,658	9,637
	$ 37,224	$ 37,430

Fair value of investments that calculate net asset value per share

The following table summarizes investments measured at fair value based on the NAV per share as of December 31, 2024 and 2023:

Investment name	Unfunded commitment	Redemption frequency (if currently eligible)	Redemption notice period	2024 Fair value	2023 Fair value
				($000)	
Global Equity Long-Only Fund LP	None	Daily	3 days	$ 16,620	$ 14,953

The investment in limited partnership has certain redemption restrictions. Withdrawals can be made from the capital account on any business day by giving three days' notice to the general partner. Such notice is irrevocable, unless the general partner determines to allow the notice to be revoked.

Global Equity Long-Only Fund LP: The Fund pursues its investment objective primarily through investing in long positions in global public equity securities.

The following sets forth a summary of changes in fair value of the Association's Level 3 assets for the period from January 1, 2023 to December 31, 2024:

	($000)
Balance, January 1, 2023	$ 3,332
Transfer out of Level 3 and convert to cost basis investment	(2,832)
Balance, December 31, 2023	500
Purchase of convertible instruments	542
Balance, December 31, 2024	$ 1,042

Note 6 – Building, furniture, equipment and leasehold improvements

Building, furniture, equipment and leasehold improvements consist of:

	2024	2023
	($000)	
Furniture	$ 4,532	$ 4,081
Equipment	9,174	10,321
Leasehold improvements	23,131	25,346
Building	3,326	3,339
	40,163	43,087
Less accumulated depreciation and amortization	25,248	27,168
	$ 14,915	$ 15,919

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Note 7 – Software and technology

Software and technology consist of the following:

	2024	2023
	($000)	
Internal-use software and technology	$ 110,035	$ 116,333
Software and technology for sale	31,029	18,281
	141,064	134,614
Less accumulated depreciation and amortization	80,114	66,087
	$ 60,950	$ 68,527

In 2018, the AICPA, CPA.com, Private Companies Practice Section and a number of the U.S.' largest public accounting firms came together to develop a new Dynamic Audit Solution ("DAS"), to be built on software from a leading technology provider. The goal of this collaborative effort is to develop an audit methodology. The AICPA has received funding from CPA firms which is recognized as a deferred liability when the cash is received, and the liability is reduced when expenditures are incurred. Accordingly, no revenue or expense is recognized in the combined statements of activities, net assets, and preferred stock. To date, the AICPA has received $40,182,000 in firm funding which has been fully expended in development costs. As part of funding firm agreements, funds received will be reimbursed in the form of discounts or distributions once DAS is broadly commercially available and profitable.

The Association applied ASC 985-20, *Software to be sold, leased, or marketed*, and determined that technological feasibility was established when DAS was made available for sale in 2022. To date, the Association has incurred $27,849,000 of development costs, which has been capitalized and included in Software and technology, net in the combined statements of financial position.

Note 8 — Goodwill

The following table summarizes changes in the carrying amount of goodwill for the years ended December 31, 2024 and 2023:

	2024	2023
	($000)	
Goodwill	$ 14,786	$ 14,786
Less accumulated amortization	8,388	6,909
	$ 6,398	$ 7,877

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Note 9 — Leases

The Association has lease arrangements on office buildings across geographic regions globally. These leases are all classified as operating leases and typically have an original term not exceeding 15 years. Some leases contain multi-year renewal options, some of which are reasonably certain of exercise. Payments under these lease arrangements are all fixed.

Lease expenses from operating leases were $9,800,000 and $9,604,000 for the years ended December 31, 2024 and 2023.

Lease liability maturities as of December 31, 2024, are as follows:

	Operating leases ($000)
2025	$ 10,632
2026	10,543
2027	10,089
2028	9,926
2029	10,113
Thereafter	20,021
Total undiscounted lease payments	71,324
Less imputed interest	7,888
Total lease liability	$ 63,436

The weighted-average remaining lease terms and discount rates related to the Association's lease liabilities as of December 31, 2024 and 2023 were 7.26 years and 3.27%, 8.11 years and 2.84%.

Note 10 — Commitments and contingencies

Computerization of the Uniform CPA Examination

In connection with the Domestic Examination, the AICPA is party to an agreement with NASBA and Prometric, which expires in 2039, whereby the AICPA delivers the Domestic Examination in a computer-based format. NASBA develops and maintains the National Candidate Database, which serves as the gateway for candidates applying to take the Domestic Examination. Prometric is responsible for providing scheduling, test preparation, test delivery and results processing of the Domestic Examination in a computer-based testing environment consistent with the AICPA and NASBA requirements.

The AICPA receives fees through NASBA based upon the number of examinations taken. The agreement provides for the AICPA to break even with regard to costs incurred in developing and maintaining the Domestic Examination. Through December 31, 2024, approximately $380,604,000 of revenue and $381,614,000 of costs have been incurred. For the years ended December 31, 2024 and 2023, the AICPA recognized revenue of approximately $13,490,000 and $22,597,000. Accordingly, costs equal to the revenue recognized have been expensed. At December 31, 2024, the balance of costs in excess of revenues of $1,010,000 is included in Deferred costs and prepaid expenses in the accompanying combined statements of financial position. At December 31, 2023, the balance of revenues in excess of costs of $3,027,000 is included in Accounts payable and other liabilities in the accompanying combined statements of financial position.

In conjunction with the International Examination Agreement, the AICPA offers the International Examination throughout the world in approved countries.

Other commitments

The Association has commitments for service agreements with various vendors that relate primarily to information technology and marketing services. Minimum commitments in effect as of December 31, 2024 are:

	($000)
2025	$ 6,986
2026	3,960
2027	629

Amounts purchased under these service agreements for the years ended December 31, 2024 and 2023 were $6,916,000 and $17,719,000.

Letters of credit

As of December 31, 2024, the Association has an irrevocable standby letter of credit associated with its New York lease of $224,000, which expires on July 14, 2025. In addition, the Association has a letter of credit with ICANN in the amount of $39,000, which expires on May 7, 2026.

Line of credit

The Association has available a line of credit with a bank for short-term borrowings of up to $70,000,000. The line of credit has interest at the Secured Overnight Financing Rate ("SOFR") plus applicable margin. Amounts outstanding under the line of credit are collateralized by certain investments. As of December 31, 2024 and 2023, there were outstanding borrowings of $9,448,000 and $0. The line of credit expires on June 11, 2025.

Credit limit

The Association has a credit limit with a bank for its corporate credit cards of $3,000,000. Amounts outstanding against the credit line are collateralized by certain investments. The amounts outstanding as of December 31, 2024 and 2023 were $1,376,000 and $2,184,000 and are included in Accounts payable and other liabilities in the combined statements of financial position.

Litigation

From time-to-time, the Association is a defendant in actions arising in the ordinary course of business. In the opinion of management, such litigation will not have a material adverse effect on the Association's financial condition or change in net assets.

Note 11 — Taxation

The Association's effective tax rate differs from the federal statutory rate primarily as a result of state taxes, the change in the valuation allowance and the nondeductible goodwill since 2015 is no longer presented.

Income tax (benefit) expense consists of the following:

	2024	2023
	($000)	
Current		
Federal	$ 3,070	$ 1,280
State	1,132	1,112
Deferred		
Federal	(1,251)	482
State	(148)	(15)
	$ 2,803	$ 2,859

Temporary differences that give rise to deferred tax assets and liabilities are as follows:

	2024	2023
	($000)	
Net operating loss	$ 200	$ 419
Deferred income	77	88
Accrued compensation and benefits	1,564	1,409
Intangible amortization	92	–
ASC 842 leases	70	62
Capital gains	52	329
Contract asset	4,049	945
Depreciation and amortization	16	26
Total deferred tax assets	6,120	3,278
Unrealized gain	(3,673)	(2,031)
Equity in income of investee	(38)	(35)
Gain on sale	(26)	(26)
Domain name amortization	–	(201)
Total deferred tax liabilities	(3,737)	(2,293)
Net deferred tax asset	$ 2,383	$ 985

The net deferred tax asset has been increased by approximately $1,400,000 based mainly on the recognition of additional contract assets.

As of December 31, 2024 and 2023, the Association has utilized all Federal net operating loss carryforwards for U.S. federal income tax purposes. As of December 31, 2024 and 2023, the Association has net operating loss carryforwards for certain state income tax purposes of $2,310,000 and $3,970,000, that expire in 2034. Further, the Association has net operating loss carry forwards for certain city income taxes of $1,170,000 and $3,062,000, that expire in 2034. The Association's net operating loss carryforwards from closed years can be adjusted by the tax authorities when they are utilized in an open year.

For tax years beginning after January 1, 2022, corporations are required to capitalize direct research and development costs and costs deemed incidental to research under Section 174 of the Code. The Association has evaluated the new regulations and there is no material impact to the Association for the years ended December 31, 2024 and 2023.

Note 12 — Employee benefit plans

Defined benefit pension plans

The AICPA sponsors a noncontributory defined benefit pension plan (the "Plan") for qualifying employees. The amount of the annual benefit to be paid at normal retirement date is based on credited service, which varies based on participant hire dates. On June 30, 2013, the AICPA closed the Plan to new entrants and froze future benefit accruals to existing employees. In February 2024, the AICPA distributed a notice of intent to terminate the Plan to all current participants and in March of 2024, filed a formal document requesting review and approval of the termination by the Internal Revenue Service. The AICPA has obtained participant elections and continued to take the necessary steps toward terminating and liquidating Plan assets through the planned purchase of annuity contracts for those participants who do not elect to receive lump sum payments. This process is expected to be completed in 2025.

The Society of Actuaries ("SOA") publishes mortality tables and improvement scales which are used in developing the best estimate of mortality for plans in the U.S.. In 2024 and 2023, the SOA updated the mortality improvement scale. The AICPA updated the assumptions for the purposes of measuring the pension and postretirement health care plans at December 31, 2024 and 2023.

Economic assumptions used to determine the benefit obligations recognized in the combined statements of financial position are:

	2024	2023
Discount rate	5.43%–5.44%*	5.00%
Rate of compensation increase	N/A	N/A

*5.43% – annuitants, 5.44% – non-annuitants

Weighted average assumptions used to determine the net periodic benefit cost are:

	2024	2023
Discount rate	5.00%	5.20%
Expected return on plan assets	5.10%	5.10%
Rate of compensation increase	N/A	N/A

The AICPA is utilizing a yield curve methodology to determine its discount rate. This methodology uses a weighted average yield to determine the Plan's discount rate by forecasting the Plan's expected benefit payments by year.

The expected return on Plan assets was derived by reviewing historical returns, preparing several models about future expected returns using the current diversified asset mix and conducting a historical study of market recoverability.

For the year ending December 31, 2025, the AICPA expects to contribute $13,314,000 to the Plan.

The following tables provide further information about the Plan:

	2024	2023
	($000)	
Projected benefit obligation	$ 102,406	$ 107,928
Fair value of plan assets, net of plan liabilities of $123 and $111 and accrued income of $837 and $960	89,092	99,219
Net unfunded status of the plan recognized as a liability in the combined statements of financial position	$ 13,314	$ 8,709
Employer contributions	$ –	$ –
Benefit payments	$ (7,614)	$ (6,766)
Accumulated benefit obligation	$ 102,406	$ 107,928
Periodic pension expense for the year	$ 721	$ 758

Amounts in net assets without donor restrictions that have not yet been recognized as a component of net periodic benefit expense comprise the following:

	Unrecognized prior service cost	Actuarial (gain) loss	Total
		($000)	
Balance, December 31, 2022	$ 340	$ 38,943	$ 39,283
Increase during the year ended December 31, 2023	–	856	856
Amortization during the year ended December 31, 2023	(11)	(275)	(286)
Balance, December 31, 2023	329	39,524	39,853
Increase during the year ended December 31, 2024	–	4,201	4,201
Amortization during the year ended December 31, 2024	(11)	(306)	(317)
Balance, December 31, 2024	$ 318	$ 43,419	$ 43,737

The Plan recognized significant losses in the benefit obligation in 2024, which were primarily driven by the plan termination and expected annuitization of the remaining liability.

Estimated future plan payments reflecting expected future service for each of the five years subsequent to December 31, 2024, and in the aggregate for the five years thereafter, are as follows:

	($000)
2025	$ 102,406
2026	N/A
2027	N/A
2028	N/A
2029	N/A
2030 to 2034	N/A

The Plan's overall investment strategy is a dynamic asset allocation strategy, which is intended to reduce volatility with the Plan's funded status as the funded status improves over time. As the Plan's funded status improves, the target allocation of the Plan's assets in fixed income investments will increase and overall target allocation of the Plan's assets in equity and other types of investments will decrease. The target asset allocations are 90-100% fixed income and 0-10% equity securities. The expected long-term rate of return for the Plan's assets is based on the expected return of each of the asset categories, weighted based on the median of the target allocation for the class. All investments are chosen with care, skill, prudence and due diligence with the assistance of a paid investment consultant and an investments committee comprised of AICPA members with investment industry experience. Performance of the investment manager is reviewed quarterly by the investments committee. A listing of permitted and prohibited investments is maintained in the AICPA's Statement of Investment Policy, dated July 2022. Fixed income investments include securities issued or guaranteed by the U.S. Government, its agencies or government-sponsored enterprises, mutual funds, as well as corporate bonds from diversified industries.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

U.S. Treasury bonds: Valued based on institutional bond quotes reported on the active market on which the individual securities are traded.

U.S. Treasury strips: Valued using stripped interest and principal yield curves from levels obtained from live data from various brokers and market data.

Corporate and foreign bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bonds are valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote if available.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The fair values of the Plan's assets at December 31, 2024 and 2023, by asset category, are as follows:

	Assets at fair value as of December 31, 2024		
	Level 1	Level 2 ($000)	Total
Total investments at fair value – fixed income securities	$ 41,361	$ 47,017	$ 88,378

	Assets at fair value as of December 31, 2023		
	Level 1	Level 2 ($000)	Total
Total investments at fair value – fixed income securities	$ 27,157	$ 71,213	$ 98,370

CIMA sponsors The Chartered Institute of Management Accountants Pension and Assurance Scheme (the "Scheme"), a funded defined benefit pension scheme in the UK. The Scheme is administered within a trust which is legally separate from CIMA. Trustees are appointed by both CIMA and the Scheme's membership and act in the interest of the Scheme and all relevant stakeholders, including the members and CIMA. The Trustees are also responsible for the investment of the Scheme's assets.

This Scheme provides pensions and lump sums to members on retirement and to their dependents on death. Members who leave service before retirement are entitled to a deferred pension. The Scheme closed to new members in 2002, and to accrual of benefits in 2012.

The Scheme is subject to regular actuarial valuations, which are usually carried out every three years. An actuarial valuation was carried out on April 1, 2021. These actuarial valuations are carried out in accordance with the requirements of the Pensions Act 2004 and so include deliberate margins for prudence. This contrasts with these accounting disclosures, which are determined using best estimate assumptions. The valuation at March 31, 2024 is in progress.

The results of the formal actuarial valuation on April 1, 2021 have been projected to December 31, 2024 by a qualified independent actuary. The figures in the following disclosures were measured using the Projected Unit Method.

Economic assumptions used to determine the benefit obligations recognized in the combined statements of financial position are:

	2024	2023
Discount rate	5.40%	4.50%
Rate of compensation increase	N/A	N/A

Weighted average assumptions used to determine the net periodic benefit cost are:

	2024	2023
Discount rate	4.50%	4.80%
Expected return on plan assets	6.75%	7.32%
Rate of compensation increase	N/A	N/A

The Scheme utilizes a yield curve methodology to determine its discount rate. This methodology uses a weighted average yield to determine the Scheme's discount rate by forecasting the Scheme's expected benefit payments by year.

The expected rate of return on Scheme assets has been derived using a weighted average of the expected returns above the gilt yield at the Scheme's liability duration of 20 years.

For the year ending December 31, 2025, CIMA expects to contribute $500,000 to the Scheme.

The following tables provide further information about the Scheme:

	2024	2023
	($000)	
Projected benefit obligation	$ 47,530	$ 54,407
Fair value of plan assets	47,642	50,286
Net funded status of the plan recognized as an (asset)/liability in the combined statements of financial position	$ (112)	$ 4,121
Employer contributions	$ 3,579	$ 3,348
Benefit payments	$ 1,918	$ 1,718
Accumulated benefit obligation	$ 47,530	$ 54,407
Foreign currency adjustment	$ 83	$ (218)
Periodic pension benefit for the year	$ 932	$ 1,025

Amounts in net assets without donor restrictions that have not yet been recognized as a component of net periodic benefit cost comprise the following:

	Unrecognized prior service cost	Actuarial (gain) loss	Total
		($000)	
Balance, December 31, 2022	$ 172	$ 3,760	$ 3,932
Increase during the year ended December 31, 2023	–	3,899	3,899
Amortization during the year ended December 31, 2023	(11)	–	(11)
Foreign currency adjustment	8	289	297
Balance, December 31, 2023	169	7,948	8,117
Increase during the year ended December 31, 2024	–	372	372
Amortization during the year ended December 31, 2024	(11)	–	(11)
Foreign currency adjustment	(3)	(229)	(232)
Balance, December 31, 2024	$ 155	$ 8,091	$ 8,246

The Plan recognized significant losses in the benefit obligation in 2023, which were primarily related to losses driven by the change of actuarial assumptions.

Estimated future Scheme payments reflecting expected future service for each of the five years subsequent to December 31, 2024, and in the aggregate for the five years thereafter, are as follows:

	($000)
2025	$ 2,624
2026	2,586
2027	2,513
2028	2,703
2029	2,841
2030 to 2034	14,547

The Scheme's overall investment strategy is to achieve a return in excess of the Scheme actuary's discount rate and to reduce investment volatility compared to investing in a pure equity portfolio. Protection has been bought against part of the interest rate and inflation rate risk.

All investment managers were chosen following interviews by the Trustees of the Scheme based on advice from a paid investment consultant. The Trustees have compiled a Statement of Investment Principles setting out their long-term objectives and processes for monitoring performance of the investment managers. Investment risk is managed through the use of levered liability-driven investments and the use of a diverse non-correlated investment portfolio.

The Trustees adopted a strategic asset allocation for the Scheme and monitor the funding level regularly. It is intended that any investment gains above a certain level will be used to reduce the expected return and volatility while aiming to reach full funding at the end of the current recovery plan.

The Scheme's asset allocation does not intend, for now, to hold any physical gilts or bonds, but to use levered liability-driven investments to manage interest and inflation risk. The growth assets are diversified across smart beta equity portfolios, emerging market equities, property yields, private markets and secured finance. The equity allocation is global.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

Mutual funds: The Scheme invests in SICAV, Fonds Commun de Placement, and open-end investment funds located in the UK and Luxembourg. Funds held by the Scheme are regulated by the Financial Conduct Authority in the UK and European Union Directives based on where the funds are domiciled. These funds actively publish prices daily and accept orders, with the final transaction price being determined at a fixed point each day once all orders are placed.

Alternative investment funds: The Scheme invests in alternative investment funds. The NAV, as provided by the fund, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

The fair values of the Scheme assets at December 31, 2024 and 2023, by asset category, are as follows:

	Assets at fair value as of December 31, 2024 ($000)		
	Level 1	Level 2	Total
Equity securities			
Liability driven investment funds	$ –	$ 25,484	$ 25,484
Other investment funds	9,045	–	9,045
Diversified growth funds	–	3,049	3,049
Total equity securities	9,045	28,533	37,578
Investments measured at NAV (a)	–	–	10,064
Total investments at fair value	$ 9,045	$ 28,533	$ 47,642

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

	Assets at fair value as of December 31, 2023 ($000)		
	Level 1	Level 2	Total
Equity securities			
Liability driven investment funds	$ –	$ 29,113	$ 29,113
Other investment funds	2,076	–	2,076
Diversified growth funds	–	5,774	5,774
Total equity securities	2,076	34,887	36,963
Investments measured at NAV (a)	–	–	13,323
Total investments at fair value	$ 2,076	$ 34,887	$ 50,286

(a) In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line item presented earlier in this note.

Fair value of investments that calculate NAV

The following table summarizes investments measured at fair value based on the NAV per share as of December 31, 2024 and 2023:

Investment name	Unfunded commitment	Redemption frequency (if currently eligible)	Redemption notice period	2024 Fair value ($000)	2023 Fair value ($000)
Partners Fund	None	Monthly	1 month + 1 day	$ 4,819	$ 6,094
Insight Secured Finance Fund	None	Quarterly	3 months	5,245	7,229
Total				$ 10,064	$ 13,323

Partners Fund

The Fund's investment strategy is to offer investors the attractive risk/return potential of a combined alternative investment portfolio by investing in a combination of different alternative asset classes and/or alternative investment strategies. The primary investment objective is to achieve capital growth over the medium to long term.

Insight Secured Finance Fund

The Fund invests primarily in a variety of debt and debt-related securities, loan investments and structural financial instruments. The Fund seeks to produce an annual interest-based return.

Postretirement plan

The AICPA sponsors unfunded employee postretirement health care and life insurance plans for qualifying employees hired before May 1, 2003, and contributes toward the annual cost of retirees remaining in these plans.

Economic assumptions used to determine the benefit obligations recognized in the combined statements of financial position are:

	2024	2023
Discount rate	5.55%	4.95%

Weighted average assumptions used to determine the net periodic benefit cost are:

	2024	2023
Discount rate	4.95%	5.15%

The AICPA is utilizing a yield curve methodology to determine its discount rate. This methodology uses a weighted average yield to determine the postretirement plan's discount rate by forecasting the postretirement plan's expected benefit payments by year.

The assumed health care cost trend rates used to measure the expected cost of benefits under the postretirement health care plan were expected to increase by 7.25% for participants under the age of 65 and 7.50% for participants aged 65 and over in 2024. These rates are assumed to gradually decrease until reaching 5% in 2031 for all participants.

For the year ending December 31, 2025, the AICPA expects to contribute $369,000 to the postretirement plan.

The following table provides further information about the AICPA's postretirement plan:

	2024	2023
	($000)	
Postretirement benefit obligation	$ 4,117	$ 4,334
Net unfunded status of the plan recognized as a liability in the combined statements of financial position	$ 4,117	$ 4,334
Employer contributions	$ 336	$ 359
Benefit payments	$ (426)	$ (416)
Periodic postretirement expense for the year	$ 142	$ 308

Amounts in net assets without donor restrictions that have not yet been recognized as a component of net periodic benefit cost comprise the following as of December 31, 2024 and 2023:

	Unrecognized prior service credit	Actuarial (gain) loss	Total
		($000)	
Balance, December 31, 2022	$ –	$ (348)	$ (348)
Decrease during the year ended December 31, 2023	–	(745)	(745)
Balance, December 31, 2023	–	(1,093)	(1,093)
Increase/(decrease) during the year ended December 31, 2024	160	(292)	(132)
Amortization during the year ended December 31, 2024	–	107	107
Balance, December 31, 2024	$ 160	$ (1,278)	$ (1,118)

Estimated future postretirement benefit payments reflecting expected future service for each of the five years subsequent to December 31, 2024, and in the aggregate for the five years thereafter, are as follows:

	($000)
2025	$ 369
2026	364
2027	360
2028	357
2029	351
2030-2034	1,669

Defined contribution plans

The Association also sponsors separate defined contribution plans covering substantially all employees meeting minimum age and service requirements. Participation in the plans is optional and employer contributions being made to the plan are in amounts equal to a certain percentage of employees' contributions. The cost of these plans was $8,850,000 and $8,520,000 for the years ended December 31, 2024 and 2023.

Deferred compensation

The Association has a nonqualified deferred compensation plan for certain key employees. Amounts accrued under this plan are $13,676,000 and $11,608,000 as of December 31, 2024 and 2023 and are included in the accompanying combined statements of financial position as a component of Accounts payable and other liabilities. As of December 31, 2024 and 2023, unvested deferred compensation expense to be recognized over a period of 36 months was $742,000 and $960,000.

Note 13 – Preferred stock and net assets

Preferred stock and net assets as of December 31, 2024 and 2023 are as follows:

	2024	2023
	($000)	
Preferred stock	$ 7,500	$ 7,500
Net assets with donor restrictions:		
Bold Ambition/Accounting+	$ 33,787	$ 25,039
CIMA Examination Fund	124	124
Foundation CGMA Global	–	80
Foundation Financial Accounting	1	1
Foundation Accounting Scholars Leadership Workshop	35	86
Foundation John L. Carey Scholarships	–	50
Foundation Barry C. Melancon PAR Fellowship	8	–
Foundation Barry and Patty Melancon Scholarship	17	–
Net assets with donor restrictions	$ 33,972	$ 25,380
Net assets without donor restrictions	$ 123,939	$ 118,287

In 2016, the Foundation Trustees designated unrestricted funds to supplement the continuation of the Accounting Doctoral Scholars (“ADS”) program. In 2023, the Foundation Trustees designated $280,000 in unrestricted funds to create the Fellowship for Accounting Doctoral Students. As of December 31, 2024 and 2023, the balance of the funds were $139,000 and $549,000.

Donor-restricted net assets are subject to donor-imposed stipulations that can be met either by actions of the Center for Audit Quality ("CAQ"), CIMA, and Foundation and/or the passage of time.

Net assets with donor restrictions

Bold Ambition/Accounting+

Bold Ambition/Accounting+ are initiatives led by the CAQ. Bold Ambition is a collective platform highlighting the profession's commitment to equal opportunity and inclusion. Accounting+ is a multi-year national brand awareness campaign and career support platform targeted to high school and college students designed to increase awareness and equal opportunity in the accounting talent pipeline.

CIMA Examination Fund

Founded in honor of CIMA member Harry Robinson, the fund was created to reward selected candidates for successful completion of the CIMA examination.

Foundation CGMA Global

Funded to support CGMA management accounting education and grow the next generation of professional management accountants.

Foundation Accounting Scholars Leadership Workshop

The Accounting Scholars Leadership Workshop is an annual AICPA Foundation-sponsored event that aims to increase the representation of people in the profession from a variety of backgrounds and underrepresented populations. In addition, it focuses on encouraging and supporting students from all backgrounds interested in pursuing a career in accounting and finance.

Foundation John L. Carey Scholarships

Founded in honor of former AICPA President John L. Carey upon his retirement. The scholarship program provides financial assistance to liberal arts undergraduates who are pursuing graduate accounting study at a college or university whose business administration program is accredited by the Association to Advance Collegiate Schools of Business International.

Foundation Barry C. Melancon Professional Accounting Research (PAR) Fellowship

The Barry C. Melancon Professional Accounting Research (PAR) Fellowship was established to support the next generation of accounting and finance professionals with the skills, knowledge, and training to advance the accounting and finance profession. The fellowship honors the legacy of Barry Melancon's 30-year leadership tenure at the AICPA, as well as his dedication, advocacy, and future-focused commitment to the profession. The Fellowship aims to initially support doctoral students who are undertaking practical research to advance the science of public or management accounting practice.

Foundation Barry and Patty Melancon Scholarship

The Barry and Patty Melancon Scholarship was established to honor Barry Melancon's leadership legacy, as recognized by past chairs of the AICPA Board of Directors, state societies, and firms. This scholarship aims to support undergraduate accounting students, following the criteria of the Future CPAs Scholarship.

Note 14 – Affiliated party transactions

The AICPA sponsors the American Institute of Certified Public Accountants Insurance Trust ("Trust") and receives royalty, advertising and general and administrative services fees from the sponsorship. The AICPA received net revenue of $5,222,000 and $5,234,000 from the Trust for the years ended December 31, 2024 and 2023.

Note 15 – Foreign operations

For the years ended December 31, 2024 and 2023, approximately 22% and 19%, of the Association's revenue and gains without donor restrictions were derived outside of the U.S., primarily in the UK.

Note 16 – Accumulated translation adjustment

Translation adjustments for the years ended December 31, 2024 and 2023 consist of foreign currency translation adjustments associated with Association's combined foreign entities. Changes in accumulated translation adjustments are reported in the combined statements of activities, net assets, and preferred stock. The amount of accumulated translation adjustment is included within Net assets without donor restrictions at December 31, 2024 and 2023 in the combined statements of financial position. The changes in accumulated translation adjustment for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
	($000)	
Balance at beginning of year	$ (2,793)	$ (1,897)
Foreign currency translation adjustment	173	(896)
Balance at end of year	$ (2,620)	$ (2,793)

Note 17 – Subsequent events

The Association has evaluated events and transactions for potential recognition or disclosure through May 5, 2025, which is the date the combined financial statements were available to be issued. CPA.com opened a $10,000,000 line of credit facility in January 2025 which is secured by its marketable investment security portfolio.

Home
Contents
Guiding principles
Letter from leadership
Value creation model
Strategy and 2024 performance
Delivering on sustainability
Governance
Risks and opportunities
KPIs and financial position
Financials

Together as the Association of International Certified Professional Accountants

aicpa-cima.com

Founded by AICPA and CIMA, the Association of International Certified Professional Accountants powers leaders in accounting and finance around the globe.